

The NATIONAL UNDERWRITER

Life Insurance Edition

NOTED FOR INVESTIGATION
TO APPEAR IN
MAY 1937
B-8-40

A WELL EQUIPPED AGENCY

Reference Work

An Agency should have at least one copy of all reputable Life Insurance Selling Services for reference purposes. A lawyer would not think of operating an office without Blackstone.

Attract Agents

Prospective Agents are more readily attracted to the better equipped offices.

Help Agents

Many Agents have been pulled out of a slump by a re-study of the fundamental principles of some part of the selling job. See the new "Problem Index", now furnished with the Salesmanship Section of The Diamond Life Bulletins, which will assist in diagnosing selling weaknesses.

Sales Talks

Tested sales talks for every "need" will be found in the seven volumes of accumulated Files. New canvasses appear in the Monthly Supplements as they come to our attention.

Sales Plans

Most of the workable Sales Plans will be found in these Files which we have been accumulating and revising for 16 years.

Tax and Business Insurance

Agents specializing in the higher branches of Life Underwriting, such as Income and Inheritance Taxes, both Federal and State; Estate and Gift Taxes; Wills and Business Insurance can find valuable help in referring to these special Sections. Our recently revised Section on "Sole Proprietorship Insurance" is the most comprehensive treatment of the subject yet published. The Section on "Partnership Insurance" is now under revision.

Training Booklets

General Agents and Managers have found our new "highlighting" booklets useful in training new men and in stimulating established Agents. These attractive pocket-size booklets cover the subjects of "Life Insurance Situations," "Prospecting," "The Approach," "Life Insurance Property" and "The Term Insurance Fallacy." Other booklets will follow from time to time.

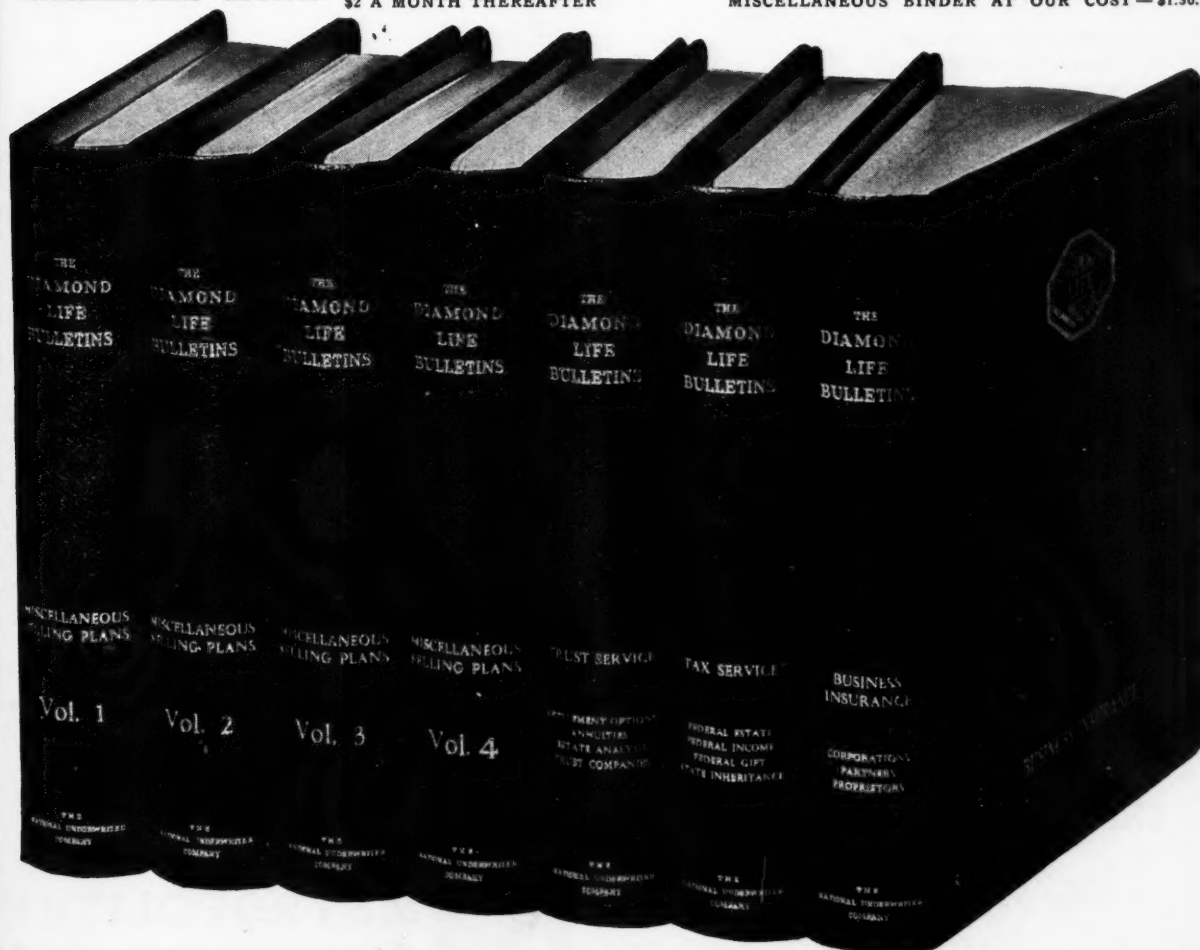
Tax Booklets

Our booklets "Life Insurance and Federal Tax Laws" and "Reducing Your Taxes" which have been published now for five consecutive years, are enjoying a wider use each year.

The Cost of Equipping an Agency is comparatively small when spread over a term of months.

SALESMANSHIP SECTION \$4 A MONTH THE FIRST YEAR
\$2 A MONTH THEREAFTER

PRESENT SUBSCRIBERS CAN SECURE A FOURTH MISCELLANEOUS BINDER AT OUR COST — \$1.50.



THE DIAMOND LIFE BULLETINS . . . 420 East Fourth Street . . . Cincinnati, Ohio
A NATIONAL UNDERWRITER PUBLICATION

FRIDAY, MARCH 5, 1937

Money for Sale

When you sell life insurance, you sell money for future delivery . . . and the safety of that investment is as certain as anything human can be. Life insurance has weathered all economic cycles as has no other form of investment.

When you select Continental to act as trustee of your client's financial welfare, you have the security of a company with an unassailable record for continuous growth and progress and a definite sense of trusteeship.

Each and every year since inception, this strong Chicago institution has shown increase in assets and insurance in force . . . and its safety margin of surplus not only exceeds legal requirements, but greatly exceeds the average of American companies . . . a dependable guarantee of positive protection.

Continental
ASSURANCE COMPANY

CHICAGO, ILLINOIS

Affiliated with

CONTINENTAL CASUALTY COMPANY



As regularly as the giant geyser "Old Faithful" hurls its superb column into the air, life insurance companies mail checks to the fortunate owners of life income policies.

Field-Men can tell their clients that they can provide a life income for their dependents and a retirement income for themselves through the settlement options under Life and Endowment Insurance Policies.

The Metropolitan's March advertisement,* with "Old Faithful" as a perfect symbol of unfailing regularity, features "non-stop" incomes. Some of the prospects who plan to provide future security for their wives or themselves will be sure to see this advertisement and may wish to arrange for their own "non-stop" incomes.

*Business Week, Collier's, Cosmopolitan, Forbes, Nation's Business, Saturday Evening Post, Time.

**METROPOLITAN LIFE
INSURANCE COMPANY**

Frederick H. Ecker, Chairman of the Board
Leroy A. Lincoln, President

ONE MADISON AVE., NEW YORK, N. Y.

The NATIONAL UNDERWRITER

Forty-First Year—No. 10

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MARCH 5, 1937

\$3.00 Per Year, 15 Cents a Copy

Other Lines Grab Quality Recruits

Big Corporations Scientifically Select "Cream of Crop" Among College Seniors

BEST SALES TYPE TAKEN

Salaries to "Trainers" Up to Pre-Depression Level, Increasing Competition for Better Men

NEW YORK, March 4.—Recruiting of desirable new agents, already more difficult than ever before from a quantity angle, threatens to become increasingly formidable from a quality standpoint as well, because of the growing use of highly selective standards of hiring and retaining young men of the high class sales type by other large employers.

Big corporations like the Bell Telephone, General Electric, Procter & Gamble, have long made it a practice to interview outstanding members of the senior classes in leading colleges and universities. More and more large concerns are sensing the wisdom of this procedure and doing their best to get the top ranking men before they have begun to look around for jobs. Where the search is solely for technical and research men it does not conflict with the life agencies' search for agents. However, there is a growing tendency in business and industry to regard recent college graduates as the best material for future salesmen and executives. These men are of the type who would make the most desirable life agents.

Use Scientific Selection

Not only do businesses and industries select the outstanding men of good appearance, background and scholastic records, but they are making increasing use of personality tests and interviews based on scientific principles which are designed to bring out the hidden characteristics distinguishing the man who makes a good first impression from the one who is actually a much better bet for the long haul.

This means that those who do not employ such methods have an increasingly strong factor of adverse selection working against them, since the average qualifications of those who are rejected by these more accurate methods obviously will be lower than where the picking is done by chance. There will be less chance of finding really good men among them. In the case of most life agencies this condition is aggravated by the fact that they are not prepared to do much financing of new men, whereas college graduates taken on by large concerns as "trainers" are getting from \$110 to \$135, which is about the pre-depression standard.

(CONTINUED ON PAGE 10)

Northwestern Mutual Life Now 80 Years Old

The Northwestern Mutual Life was 80 years old March 2, having been incorporated in 1857 by a special act of the Wisconsin legislature as the Mutual Life Insurance Company of the State of Wisconsin. The first home office was in Janesville, Wis., where the company began business Nov. 25, 1858, following the fulfillment of charter requirements of a preliminary \$200,000 of insurance. Since 1859 the home office has been in Milwaukee. The present name was adopted in 1865.

Today the Northwestern Mutual has assets totaling \$1,129,853,696 with 1,007,857 policies in force for \$3,778,148,862 insurance. The company is the sixth largest in point of assets and the fifth largest in ordinary business in force. It is licensed in 42 states and the District of Columbia. There are 84 general agencies operating in the field, with a force of more than 5,000 agents.

General Johnston Is Founder

Gen. John C. Johnston, who emigrated to Janesville from New York City, following a career as an agent of the then recently organized Mutual Life of New York, was the founder of the Northwestern. Gen. Johnston did not become the first president. Joseph A. Sleeper was the first chief executive. Other presidents, in order of service, were H. W. Collins, S. S. Daggett, Lester Sexton, J. H. Van Dyke, H. L. Palmer, G. C. Markham, W. D. Van Dyke, and since Oct. 19, 1932, M. J. Cleary, incumbent.

The first insurance policy of the Northwestern was issued Nov. 25, 1858, written for \$5,000 on the life of General Johnston. The first death claim was paid Nov. 9, 1859, one week after the death of an Oshkosh, Wis., merchant in a railway accident. The infant company had not accumulated enough surplus from premiums to pay the death claim, but the money was borrowed from a bank to pay the beneficiaries promptly.

Outgrows Quarters

Four months after the first policy was written, the Northwestern moved its home office to Milwaukee. After two rented quarters were outgrown, the company purchased a building in 1863, built a larger structure in 1870, and a still larger one on another site in 1886. The corner stone of the present \$5,000,000 office building was laid in 1912. With the addition started in 1930, the structure now occupies an entire block, rises eight stories and is designed to accommodate the ultimate construction of sixteen additional stories.

By June 1, 1859, the Northwestern had in force 137 policies for \$408,800 of insurance, with assets of \$9,335. Insurance in force reached \$100,000,000 in 1885; \$200,000,000 in 1889; \$500,000,000 in 1900; a billion in 1909; two billions in 1920; passed three billions in 1925, and in 1930 reached four billions. Since 1934 the company's assets have exceeded the billion dollar mark, showing steady annual increases to a total of \$1,129,853,696 at the end of last year.

The aggregate statement of the

Northwestern from Nov. 25, 1858, to Dec. 31, 1936, shows for this period total premium receipts of \$2,835,837,552; interest on assets of \$931,310,747, and rents of \$23,659,358.

Death claims paid totaled \$813,909,114; endowments paid, \$162,381,743; surrender values paid, \$546,902,895, and dividends returned to policyholders, \$763,738,224. Since the company began business the total paid policyholders and their beneficiaries was \$2,296,785,171, with an additional \$1,129,853,696 held for the benefit. The grand total of \$3,426,638,867 compares favorably to \$2,835,837,552 entrusted to the care of the company by its policyholders. It is interesting to note that the Northwestern has paid \$1,473,022,865 to living policyholders, and only \$813,909,114 on death claims.

Policy Now Matured

The oldest living policyholder of the Northwestern is a resident of Mariners Harbor, N. Y., born April 16, 1837. As he has reached the end of the mortality table, his policy is now payable as an endowment. The oldest policy in force is Number 12,503, issued Sept. 19, 1865, to a resident of Honey Creek, Wis., then aged 17.

Oldest in point of service as an agent of the company is Thomas L. Fansler, of Philadelphia, whose contract was dated 1883, or 54 years ago. Others approaching that record are P. M. Anderson, Wichita, Kan., first contract dated 1884; E. H. Anderson, Topeka, Kan., V. P. Heil, Rockford, Ill., and Edward Kraemer, Baltimore, Md., 1886; Lawrence W. Mack, New York City, 1887; S. H. Benbow, Kalamazoo, Mich., 1888; W. F. Atkinson, general agent at Brooklyn, N. Y., 1889, and J. A. Reinhardt, general agent at Spokane, Wash., 1890.

Those who have served the company longest at the home office are William

(CONTINUED ON PAGE 10)

Kansas Issues Challenge on Attendance at Denver

DENVER, March 4.—Kansas will send a larger delegation to the National Association of Life Underwriters convention here this summer than any other state in the union, heads of state and local associations promised Guy Gay, president of the Colorado Association of Life Underwriters and chairman in charge of a membership drive in Kansas and several other states. The Kansas men challenge any other state to equal their attendance.

Mr. Gay has just returned from a conference in Salina attended by R. G. Cunningham of Wichita, president of the State Association, R. G. Dennison, chairman of the state group's membership committee, Wayne Clover, president of the Wichita association and others. The state group reported a 50 percent increase over last year's membership and expectation of decided further gains.

Option Menace Hit by Lawyer

"U. S. Law Review" Carries Extended Article on Dangers of Complexity

PRAISES CONSERVATIVES

But Notes That They Are Put at Disadvantage by Those Less Restrained

NEW YORK, March 4.—The seriousness of complicated settlement options, which is a source of concern to many life companies, is treated at length from the lawyer's point of view in the January "United States Law Review." The author is Albert Epstein of the New York bar, who incidentally should not be confused with Abraham Epstein, author of caustic criticisms of life company operations.

Stating that lawyers are rarely consulted in the planning of insurance estates, the article states that the applicant depends upon an insurance agent, who is not skilled in the law for an explanation of the agreement and for assurance that it effectually carries out his desires. The author remarks on the inconsistency of this, saying that while the client will discuss an ordinary business contract with his lawyer in great detail, properly desirous that all his lawyer's skill be given to its preparation or scrutiny, yet it will not occur to him to consult his lawyer about agreements disposing of his life insurance proceeds, totaling large sums, in which he is investing for the support of his family after his death a substantial part of his income every year.

"High-Sounding Names"

"Plans, variously designated as programs or estate analyses or by other high-sounding names are presented to the policyholders or prospective policyholders by the insurance agent," Mr. Epstein writes. "They are often complicated architectural creations, sometimes impossible of execution, frequently inadequate. They are, in fact, conceived and formulated primarily for the purpose of selling the policyholder more insurance."

After citing a number of examples, the author points out that it is apparent that many agreements are not properly drawn.

Not All Alike

"The companies are, of course, not all alike in this regard," he concedes. "Certain companies exercise great care in the preparation of settlement agreements. Other companies are not merely lax, but are seemingly governed chiefly or solely by a desire to help the agent sell a policy. One immediate result of this, apart from the consequences which come to light on the death of the insured, is that the representatives of the lax companies are at an advantage in competing with

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Answers to Policyholders' Tax Questions Outlined by Attorney Langston

Familiarity with how taxation laws affect life insurance often is one of the underwriter's most effective sales tools. James T. Langston, tax attorney for the Kansas City Life, told members of the Life Underwriters Association of Kansas City. Every underwriter ought to know the answers to the questions most frequently asked by assured, said Mr. Langston. However, in a complicated case the underwriter should consult an attorney or his own company's tax attorney. He outlined answers to questions which he most frequently receives from policyholders:

Property Taxes (ad valorem): Are surrender values of life insurance policies taxable? No (opinion of the attorney general of Missouri). Held not to be "property" in the sense that it is taxable by virtue of the provisions of the statute, is not "fixed and certain" but "indefinite and contingent."

Are Annuities Taxable? The answer is "yes." The Missouri statute expressly subjects annuities to taxation. Held taxable as a credit.

Income Taxes. Are dividends on insurance policies taxable under the federal income tax law? No. Such dividends simply represent a return of premium, a return of the premium in excess of the cost of carrying the policy. They are not returns in the investment sense nor a return of income, but merely the return of an overcharge. Whether the dividends are surrendered to the insured or left with the company, the effect is either to lengthen or shorten the premium payment period, there being no resulting economic advantage in either case.

Payments Received After the Death of the Insured. Are the proceeds of life insurance paid to a beneficiary income to said person? "No." The proceeds are exempt from the income tax

whether paid in a lump sum or otherwise; however, any additional amounts which may be added to the principal sum, when paid in installments, by reason of the running of time, are taxable.

Accident and Health Insurance. Amounts received by an insured or his estate or other beneficiaries, through accident or health insurance, or under workmen's compensation acts as compensation for personal injuries or sickness are not taxable.

Payments Received During Life of Insured. The general rule is that all payments received by the insured during his life (other than amounts received as annuities) are exempt until the aggregate premiums or consideration paid have been recovered.

Endowment Policies. Where the insured survives the maturity of an endowment policy, taxable gain results measured by the difference between the amount actually received and the total premium charged less dividends. If the insured elects to leave the proceeds on deposit with the insurance company at interest, the government regards the proceeds as having been constructively received and the profit should be returned the year of maturity. Where the insured survives the maturity of an endowment policy, and prior thereto, without any valuable consideration to himself irrevocably designates a beneficiary, other than himself, to receive the proceeds of the policy in a lump sum, no taxable income results to the insured. Taxable income results to the beneficiary to the extent that the proceeds exceed the premiums paid by the insured. In other words, the basis in the hands of the transferee is the same as the insured. If insured were to go a step further and provide that the insurance company was to retain the proceeds at maturity, and pay interest thereon to a designated beneficiary for

life, and then pay the principal amount in a single sum to a second beneficiary, the tax status is as follows: Interest payments constitute taxable income to the first beneficiary. When payment is made to the second beneficiary a taxable gain thereby results to him in the amount of the excess of such proceeds over the amount of the premium paid for the policy by the insured.

Gain or Loss on Disposition of Policy. An insurance policy is property. It follows, therefore, that where a sale or exchange is made, either to the company or to another individual, the general rules for determining gain or loss on sale or exchange of property should be applicable. However, the difference between the total amount of premium payments and the amount received upon cancellation of a policy is not deductible as a loss.

Insurance Premiums. The general rule is that individuals may not deduct insurance premiums on their income tax returns. (The premiums are not deductible and funds paid as a death benefit not income.) However, there are exceptions. It has been held that premiums on a life insurance policy in which charitable organization is irrevocably named as beneficiary, may be deducted as contributions. An unincorporated company may deduct premiums paid on policies insuring the life of an employee (which includes officers) if it can be shown (1) that the company was not directly or indirectly a beneficiary under the policy, (2) that the premiums paid were in consideration of personal services actually rendered, and (3) that the amount paid the officers and employees, including the premium payment, was not unreasonable compensation for their services. Premiums paid by a borrower on insurance in favor of a lender to secure a loan are not deductible. This brings up another interesting situation: Can a cred-

itor, to whom a policy has been assigned by the debtor as security for a loan, deduct premiums paid by him on the policy due to default or inability of the insured debtor to pay them as they become due? The answer depends on two things: (1) Whether the creditor has a right of reimbursement and (2) if so, whether such right is worthless. In a recent case where the principal amount of the policies was equal only to the original indebtedness and it was evident that the taxpayer could not collect the premium from the debtor, it was held that the premiums were deductible as a business expense in the year paid.

Purchased Annuities. Prior to the enactment of the revenue act of 1934, income from an annuity contract was exempt from the income tax until such time as the annuitant had recovered his cost. The law has been changed and now income from an annuity contract is partially taxable. The federal government rule is that there must be returned as gross income a sum representing a return of 3 percent on the cost of the contract. The federal government is attempting to tax the interest return and for administrative reasons adopted an arbitrary rate of 3 percent. For example, suppose that Mr. A purchased an annuity for \$30,000 calling for a return of 10 percent a year. The amount received annually would be \$3,000. He would report as income for tax purposes a return of 3 percent on the \$30,000, or \$900, leaving a non-taxable balance of \$2,100.

Investment Annuity Contracts. These contracts are combination contracts sometimes referred to as "life annuities with death benefits," and were very popular two or three years ago. Where the insurance company is able to make a fair allocation of the premium paid between the annuity feature and the insurance feature of the contract, the part applicable to the annuity would be taxed as an ordinary annuity; that is, a return of 3 percent on the premium cost allocated to the annuity feature. Where a deferred annuity contract is surrendered and the contract provides for no cash surrender value, the payments made by the purchaser are deductible as a loss in the year of surrender, according to a recent board of tax appeals case.

Estate Tax. Under the federal estate tax law, insurance carries a special exemption of \$40,000 if the policies are payable to designated beneficiaries other than the estate of the insured.

Inheritance Tax. The attorney-general of Missouri has ruled that where proceeds of insurance are payable to a designated beneficiary no Missouri inheritance tax is payable on the transfer. This is the general rule and followed in many states, but there are exceptions and laws of each state should be referred to before telling a prospect that insurance proceeds are not taxable under death duty levies.

Federal Gift Tax Law. There was time when one might freely give life insurance property to another by absolute gift without subjecting himself or his estate to a tax, but since June 6, 1932, there has been a gift tax law on the statute books. Transfers of a value of \$40,000 are exempt from the gift tax, but the exemption is allowed only once. In addition to this specific exemption, \$5,000 to each donee is exempt annually from the federal gift tax if the gift is not of a future interest in property. Life insurance, like any other property,

(CONTINUED ON PAGE 10)

FIGURES FROM DECEMBER 31, 1936 STATEMENTS

	Total Assets	Change In Assets	Surplus to Policyholders	New Bus. 1936	Ins. In Force Dec. 31, 1936	Change In Ins. In Force	Prem. Income 1936	Total Income 1936	Benefits Paid 1936	Total Disburs. 1936
All State Life, Ala....	1,093,142	+32,695	500,000	9,351,429	21,866,753	+966,430	492,293	553,884	172,582	517,497
Amer. Life & Ac., Mo....	138,417	+18,824	9,981	2,625,048	3,815,867	+560,193	113,947	120,209	44,440	117,164
Amer. Savings, Mo....	2,131,084	+37,325	290,882	2,052,122	14,625,939	-518,353	388,336	690,687	238,632	651,984
Bankers Natl., N. J....	5,437,838	+683,126	1,064,600	27,757,303	70,472,453	-5,068,522	1,749,659	2,325,812	701,497	1,534,763
Central Assur., O....	254,748	+25,224	190,804	428,768	964,582	+39,459	29,607	176,653	6,870	152,234
Central Life Soc., Ia....	42,263,330	+2,348,311	3,405,227	14,030,000	159,586,482	-224,713	5,007,435	7,575,890	3,517,402	5,260,744
Colorado Life.....	2,868,492	+318,637	438,083	8,422,566	38,618,553	-1,632,510	1,146,046	1,815,257	496,857	1,344,081
Cont'l Assur., Ill....	24,856,532	+2,675,861	3,432,617	27,906,568	207,831,020	+13,875,274	4,839,936	6,349,790	1,831,542	4,036,427
Empire L. & A., Ind....	1,275,969	+293,835	476,881	18,831,327	22,748,082	+2,395,294	1,152,240	1,302,570	356,236	1,100,860
Great Natl., Tex.....	989,782	+188,636	232,596	3,306,392	12,012,082	+1,446,039	296,370	556,889	38,424	356,611
Great Southern, Tex....	44,756,972	+1,631,050	4,000,000	34,105,465	233,405,488	+6,580,858	6,107,690	8,749,413	4,003,770	7,134,922
Great Western, Ia....	2,672,468	+234,955	400,000	3,219,930	18,274,085	+1,358,615	481,510	1,188,057	138,660	954,093
Guardian Life, N. Y....	115,737,355	+6,606,014	5,346,367	48,441,459	464,931,514	+9,582,240	16,375,571	25,137,527	10,670,978	19,917,336
Ill. Bankers.....	32,002,444	+700,633	986,962	11,242,114	121,583,529	-2,746,886	3,410,939	5,839,673	3,062,557	10,317,232
Imperial Life, Can....	79,100,809	+3,937,215	5,815,958	20,811,381	281,579,244	+2,239,850	9,660,983	14,732,792	6,939,439	10,810,522
Kansas City Life....	100,530,286	+18,858,155	9,478,935	54,881,273	435,701,967	+51,115,204	12,657,227	31,781,487	8,165,118	12,624,269
Knights Life, Pa....	5,613,971	+545,916	703,109	23,437,315	62,791,127	+7,435,703	1,556,463	1,810,300	540,484	1,405,375
Morris Plan, N. Y....	1,846,170	+88,060	1,322,830	41,709,488	29,140,607	+3,401,430	446,206	561,421	159,806	472,037
Mutual Benefit, N. J....	618,468,287	+31,667,107	132,675,982	2,006,774,187	2,006,774,187	+1,276,349	68,665,172	111,906,905	58,530,137	82,774,339
New Eng. Mut., Mass....	375,650,329	+32,197,219	18,897,105	147,607,982	1,393,448,406	+64,050,966	54,862,024	79,918,372	34,756,671	48,623,146
Northw'n Union, Ill....	342,069	+5,130	131,899	774,354	2,704,623	+24,153	54,529	73,468	30,034	68,938
Old Line Life, Wis....	19,482,552	+815,686	2,075,505	8,126,587	75,183,998	+2,520,789	2,214,429	3,412,240	1,484,800	122,578,861
Pa. Mut. Life.....	3,038,739	+155,484	336,906	7,790,479	26,414,507	+1,036,624	762,152	911,678	366,889	826,609
Pyramid Life, Mo....	3,389,226	+90,656	536,841	2,282,831	16,843,259	-1,388,820	393,275	599,711	298,727	540,612
Reliable L. & A., Mo....	689,860	+93,058	269,367	10,926,986	12,719,016	+2,434,570	492,722	1,006,891	365,593	548,156
Security Mut., N. Y....	21,800,215	+977,833	663,329	12,059,950	88,716,355	-291,483	3,085,801	4,347,151	2,127,860	3,562,950
Service, Neb....	5,881,882	+276,804	317,746	3,719,554	23,716,866	-477,134	909,833	1,421,720	475,787	883,150
Southern L. & H., Ala....	1,118,920	+121,166	229,493	49,448,356	49,776,365	+12,358,332	1,000,782	1,067,494	300,498	969,094
Standard, Pa....	5,404,785	+130,895	432,193	1,463,719	18,554,913	-1,026,019	504,439	812,065	433,788	746,360
State Life, Ind....	50,400,684	+833,415	1,253,399	15,995,464	192,913,193	-1,200,284	5,774,029	8,992,977	5,071,581	7,872,863
Union Mut., Me....	21,459,683	+259,781	869,924	7,150,013	72,090,812	+1,637,759	2,262,406	3,525,167	2,558,982	3,467,060
Union Natl., Neb....	333,090	+90,336	144,588	2,388,000	5,330,000	+1,524,000	165,828	184,003	5,698	101,009

FRATERNALS

Brotherhood of R. R. Trainmen, O....	10,440,139	+2,394,161	416,462	14,934,980	165,460,441	+3,111,325	6,343,261	7,188,886	3,632,027	4,838,991
Luth'n Mut. Aid S., Ia....	6,972,202	+971,832	1,016,154	9,467,528	49,117,387	+4,788,713	1,478,192	1,956,387	499,575	1,021,002
Protect. H. Circle, Pa....	8,103,586	+707,971	747,827	14,248,080	57,685,954	+9,210,569	1,794,618	2,214,300	1,046,676	1,625,880
Woodmen Circle.....	26,045,338	+967,313	17,169,127	108,660,736	+238,794	2,577,105	3,899,984	1,764,737	2,969,275
Wom. Ben. A., Mich....	36,180,611	+1,639,439	1,652,664	7,967,254	131,432,350	-1,808,368	2,816,786	4,672,818	2,218,216	3,728,172

¹Life only, A. & H. \$161,857.

²Life only, A. & H. \$82,119.

³Special reserve \$250,000.

⁴Life only.

⁵Including H. & A. department, \$332,632.

⁶Including H. & A. department, \$131,798.

⁷Life only, A. & H. \$604,049.

⁸Life only, A. & H. \$580,928.

⁹Life only, A. & H. \$282,717.

¹⁰Issued and revived.

¹¹Contingency reserve funds, \$29,970,170.

¹²Include A. & H. assets \$221,440, income \$167,908, disbursements, \$147,427.

¹³Includes A. & H. department.

¹⁴Also contingency reserve, \$555,000.

¹⁵Benefits and Juniors.

Rate Changes on March 1 Brought Much New Business

THREE COMPANIES INVOLVED

Connecticut General Will Not Hereafter Have the Monthly Payment Total Disability Provision

Agents of the Aetna Life, Travelers and Connecticut General Life have been doing a landoffice business owing to the announced change in their rates as of March 1. They were beating the brush in every direction and all three companies did a large business in February. The increase gave the impetus to the men and they all worked hard. Another important change so far as the Connecticut General is concerned was the discontinuing of the monthly indemnity total and permanent disability clause in life policies. The Connecticut General was one of the few companies of prominence that still maintained the monthly payment life indemnity feature. It kept its rates on a very reasonable basis although it had made a couple of increases. It now only has the waiver of premium.

Supreme Court Rules Aetna Life Case Go on Merits

WASHINGTON, March 4.—Ruling that the Aetna Life had a valid case against E. P. Hawarth and Cora M. Hawarth to void policies for non-payment of premium, the United States Supreme Court has ordered trial of the suit on its merits by a district court.

The defendant held life policies providing for disability payments. Insured ceased to pay premiums and contended he was totally and permanently disabled. The company contested the claim and refused to pay benefits, insisting that the policies had lapsed because of non-payment of premiums.

The lower courts held that the action did not set forth a "controversy" in the constitutional sense and dismissed the case. In holding that the case should be tried, the Supreme Court ruled the complaint "presented a controversy to which the judicial power extends and that authority to hear and determine it has been conferred upon the district court by the declaratory judgment act."

Ordinary Sales Decline 3 Percent During January

Ordinary life sales decreased 3 percent in January, according to the Sales Research Bureau. Sales for the last 12 months are off 3 percent. With the exception of California and Oklahoma, all of the west south central, mountain, and Pacific states showed decided increases during the last 12 months. In the other sections of the country, the general experience was slightly downward.

The ratios by sections for the month and last 12 months are as follows:

	Jan. 1937	Last 12 mos.
New England	+1	+2
Middle Atlantic	+2	+3
East North Central	+4	+3
West North Central	+11	+3
South Atlantic	+1	0
East South Central	+4	+1
West South Central	0	+2
Mountain	+8	+9
Pacific	+11	+1

Cities	Jan. 1937	Last 12 mos.
Boston	+1	...
Chicago	+4	...
Cleveland	+4	...
Detroit	+10	...
Los Angeles	+5	...
New York	+5	...
Philadelphia	+4	...
St. Louis	+11	...

Make money selling accident insurance. Send 10 cents for copy of Accident & Health Review, 175 W. Jackson Blvd., Chicago.

Sales Ideas at St. Louis

G. M. Lovelace and R. B. Coolidge Head Program of Outstanding Speakers on Sales Problems at Congress

Practical educational ideas were presented at the sales congress sponsored by the Life Underwriters Association of St. Louis. The program included Dr. Griffin M. Lovelace, vice-president of the New York Life; R. B. Coolidge, superintendent of agencies Aetna Life, and the following St. Louis men: Gale F. Johnston, Metropolitan Life divisional group sales manager; Adam Rosenthal, Connecticut Mutual Life; L. S. Becker, Lincoln National Life, and H. E. Wuerntz, Jr., Penn Mutual Life.

Howard Cammack, general agent John Hancock Mutual Life, is president of the St. Louis association, while the committee in charge of the sales congress was headed by Frank Vesser of the Reliance Life. The community singing was led by Lewis Bunte of the Northwestern Mutual. Dick Oliver, of New York Life, was chairman at the morning session, while Mr. Cammack opened the afternoon meeting, and then turned it over to Mr. Vesser, who served as afternoon chairman.

"Building Prestige" was discussed by Mr. Johnston. Life insurance ranks at the top of all forms of investment, he said. "If prestige building is needed in our business it is needed among the individuals who present the institution—among the individuals who manage and sell its product." A new type of "creative salesman" emerged from the depression. "He is a man of prestige. Creative selling is the order of the day. Selling is now placed in the same category as service. In fact, successful salesmanship may be defined as service rendered with mutual profit," said Mr. Johnston.

Dr. Lovelace reviewed the essentials

of successful life insurance salesmanship. He said each sale should start with a good foundation instead of attempting to construct the building at the second or third floor. Prospecting is a major operation and not a thing apart from the sales, he said. It is not just a process of finding a person to talk to but somebody who will listen.

The personal interests of the prospect are his vulnerable spots, said Dr. Lovelace. Personalize the interview. Have something to say that will make the prospect listen. In closing the agent should make the policyholder dissatisfied. In motivating the close the agent should keep it simple and brief. The children more than the wives should be used to motivate sales, he said.

Makes Good Approach

"Settlement Options" were discussed by Mr. Rosenthal. Settlement options eliminate all the factors at work toward the early dissipation of a lump sum of money, such as unfortunate investments, poor advice by well-meaning relatives and friends, undue indulgence of children, unintentional speculation and personal extravagance. Settlement options provide money management and make of life insurance a house of protection. "What can be more desirable for a widow than a pre-invested estate, guaranteed by the entire assets of your life insurance company?"

Since only about 17 percent of life insurance in force is held under settlement option, an approach on the contingent beneficiary angle is almost sure to click, said Mr. Rosenthal. "In referring to the insurance the prospect now owns, (CONTINUED ON PAGE 11)

Hold Brief But Stormy Hearing on Illinois Code

LLOYDS TO HAVE DAY OF OWN

Full Meeting But No One Offers Criticism—Sub-Committee Is Named in Senate

SPRINGFIELD, ILL., March 4.—The senate insurance committee, holding a public hearing on the insurance code bill, today agreed to hold a separate hearing next Wednesday so that London Lloyds can be heard on the Lloyds section of the code.

The session, following the regular senate session, was brief and stormy, adjourning within a few minutes to permit legislators to catch home-bound trains. Senator Keane, chairman of the committee, presided.

Mr. Palmer told the senators and a number of insurance representatives that the way the meeting had developed, there was no possible way to determine who wants to be heard on the bill or what points they wanted to bring up.

New Code Called Improvement

"We have drawn up the code, following many conferences and our experiences with the code bill introduced two years ago, so that it contains no partiality for any group or type of insurance companies," Mr. Palmer said. "We believe it is an improvement over the original code bill, which failed to pass. Our purpose is to consolidate in shorter form hundreds of insurance laws in this state. Unless we obtain the right kind of laws, people who buy insurance will not be protected. Our job is to protect the policyholders and at the same time not to hamper the companies."

"It is unfortunate that there is a full meeting here and no one is willing to come out and say what is wrong with the code or if it is a good thing."

Keane said that following the Lloyds hearing next Wednesday other groups desiring to be heard will be given an opportunity to air their views "because we can sit longer than they can talk."

Chairman Kane announced that anyone wanting to be heard on the code bill should appear at the hearings, and that he would oppose any further hearings when the bill reaches second reading.

Claim Dew Was First to Promote Leaders' Party

Friends of Noel A. Dew, Portland, Ore., claim that he is the originator of the idea of holding functions to recognize production leaders in a city or state. In a recent article by A. R. Jaqua, associate editor Diamond Life Bulletins, the statement was made that Alva Carlton of Houston, Tex., was the originator of this idea. Friends of Mr. Dew say that he organized the first banquet of this kind in Portland early in 1934, in recognition of 1933 leaders. Mr. Dew is now general agent in Portland for the John Hancock.

Mr. Dew since then has been making an analytical report of the leaders in his state and copies have been furnished to home offices and the research bureau.

In his report, for instance, at the 1936 banquet honoring 1935 leaders, he stated that the gain in volume on the part of the leaders was 19.5 percent in 1935 over 1934, gain in lives was 3.3 percent, gain in policy size was 23.5 percent. Volume leader No. 1 made a gain of 44.7 percent in 1935 over 1934; the leader in lives had a gain of 4.2 percent and the average of the first 10 leaders in volume showed a gain of 34.5 percent. The records were based on the experience of 52 leaders. Of those 40 were located in Portland and 12 in country towns; 45 were ordinary agents and seven industrial.

Your Company Magazine

We think you will agree that it should be useful in two ways. One is to supply sales helps that have been devised at either the Home Office or in the Field. The other is to supply you with news of your Home Office and your Field associates that you shall at all times be made to feel that you are a living part of the organization.

The degree of this twin usefulness depends in good part on volunteered contributorship from the Field. Without that the magazine may be brilliantly composed, filled with sales material, and dressed with typographic splendor, but it will lack that vital something which makes the Field man want to read it, show it to his prospects and policyholders, take it home to his family, and which gives him a constant sense of satisfaction in his relationship to his Agency and his company, and strengthens sales aggressiveness.

The most successful agency magazines, of Home Office issuance, are those which are the joint production of Field correspondents and of the Company's editorial room. Rightfully proud may any Field member be when named with honor in the official mouthpiece of the institution.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

BEHIND THESE FIGURES

THE
NATIONAL
LIFE AND
ACCIDENT
INSURANCE
COMPANY
INCORPORATED
SHIELDS
YOU

\$80,734,482
INCREASE OF LIFE INSURANCE IN FORCE DURING 1936

\$536,728,355
TOTAL LIFE INSURANCE IN FORCE DECEMBER 31, 1936

ON THE SAME FOUNDATION
STILL STANDS THE SHIELD OF
PROTECTION WHERE IT HAS
STOOD FOR THE LAST 35 YEARS

STRENGTH
INTEGRITY
FAIR DEALING
Progressiveness

THE
NATIONAL LIFE AND
ACCIDENT INSURANCE CO.

C. A. CRAIG, Chairman of Board, 120 W. R. WILKS, President

Home Office
NASHVILLE, TENNESSEE

35th Anniversary Celebration in Nashville—April

Reinstate the Pennsylvania Licenses of Three Companies

NEWSPAPER POLICY ISSUE

Hunt Lifts Suspension Against Federal,
Washington National, North American
Accident After Conference

The suspension of licenses in Pennsylvania of the Federal Life, Washington National and North American Accident were lifted this week following conferences between representatives of those companies and department officials.

The licenses were suspended on the ground that these companies had violated a ruling of the department made in January that the issuance of newspaper accident policies could not be made contingent upon subscription to a newspaper.

The suspensions were lifted when the companies agreed to make such the same changes that were made some time ago in New York. Among other things they agreed that application for subscription to the newspaper and application for the accident policy should be separate. Heretofore the applications have been combined.

Newspaper Connections

The Federal Life writes the policies for the Philadelphia "Inquirer." The North American Accident has the Philadelphia "Record." The Washington National's principal connections are the Pittsburgh "Post," Philadelphia "Evening Public Ledger," Harrisburg "Patriot" and Harrisburg "Evening News," and Wilkes-Barre "Times-Leader."

Among the company people at the conference were Vice-president Edward St. Clair of the North American Accident; Ray Wetterlund and J. N. Davis, Washington National; Attorney Ambler of Philadelphia, for the Federal Life, and Albert L. Allen and Mr. Gregory of the Allen Registry Service, Harrisburg, Pa., representing the Columbus Mutual. The latter company was interested, but its license had not been suspended. Previous to the conference, President Isaac Miller Hamilton and O. Steinkemper of the Federal Life conferred with department officials.

At the conference, Insurance Commissioner Hunt made a statement and then turned the conferees over to Deputies Roach and Madden.

Policy Reference Changed

Company representatives agreed to make certain changes and on the basis of that agreement, the commissioner sent telegrams Tuesday announcing to the companies that their suspensions had been lifted. Most of the newspaper policies contain a reference of this type: "Issued exclusively to readers of the Daily Blotter." In lieu of that phraseology, the companies agreed to use an expression of this type: "H. C. Johnson, registrar agent, care of the Daily Blotter." It was specified that the name of the agent must be of the same sized type as the name of the newspaper.

A special problem existed so far as the Columbus Mutual and Washington National are concerned. They issue policies the premiums on which are payable weekly or monthly and the collections are made by the carrier boys. The other companies write exclusively annual premium policies. The insurance department at first wanted to have the carrier boys licensed as agents, but the difficulty is that an agent must be 21 years of age and most of the carrier boys are younger than that. The department agreed to write those two companies a letter, authorizing them to continue to use the carrier boys for 60 days. The companies agreed to submit to the department copies of receipts given by the carrier boys. The department will study these and make a final decision later.

The Federal Life has paid out in its history about \$10,000,000 under news-

Mortality and Interest Figures Are Supplemented

Additional figures on percentages of net interest to mean invested assets and actual to expected mortality of life companies as taken from the "Little Gem Life Chart" soon to be off The NATIONAL UNDERWRITER press are given below:

	Ratio Net Int. to Mean Inv. Assets	Ratio Actual to Exp. Mortality
Acacia Mutual	4.37	57.3
American Bankers	...	36.5
Amer. Life & Acc., Mo.	5.18	68.9
American Savings	1.91	46.7
Amicable	4.08	41.7
Atlantic Life, Va.	3.92	70.7
Atlas Life	3.70	42.6
Bankers National	5.24	46.6
Beneficial	4.20	37.4
Colonial, N. J.	3.93	72.2
Colorado Life	4.67	43.9
Columbia Life, Ohio	3.59	61.1
Columbian National	4.14	67.7
Empire Life & Acc.	4.42	49.7
Equitable Assur., N. Y.	3.77	60.4
Empressmen's Mutual	3.93	80.6
Fidelity Mutual	3.88	58.5
General American	4.60	77.5
Great American, Tex.	5.12	32.1
Great Northern	4.09	42.7
Great Western	3.65	31.4
Guarantee Mutual	3.54	58.0
Guaranty Life, Iowa	3.54	58.0
Guardian Life, N. Y.	3.11	56.0
Gulf States	4.46	39.6
Indianapolis Life	3.60	43.3
Interstate Life & Acc.	3.87	83.7
John Hancock	3.50	61.1
Kansas City	3.37	55.4
Knights Life	4.51	46.5
Lincoln National	3.54	64.0
Manufacturers Life	4.47	56.8
Michigan Life	0.76	56.2
Mid-Continent Life	1.81	49.2
Midland Life	3.97	46.5
Midwest Life	3.88	40.5
Minnesota Mutual	4.30	52.1
Mutual Benefit	3.98	65.3
Natl. Guardian	4.40	40.5
Natl. Life, Iowa	3.61	83.1
North Amer., Ill.	2.92	60.2
Northwestern Union	3.42	34.3
Penn Mutual	3.89	64.7
Pennsylvania Mutual	2.23	62.2
Petrols, Ind.	4.18	53.8
Philadelphia Life	4.25	75.3
Pilot Life, N. C.	4.10	58.5
Postal Life	3.33	76.4
Prudential	3.87	59.1
Pyramid Life, Kan.	3.96	49.0
Seaboard Life	4.74	31.4
Security Mutual, N. Y.	3.78	64.3
Standard Life, Pa.	3.63	59.1
State Life, Ind.	3.44	60.4
Sun Life, Canada	4.16	60.8
Teachers Ins. & Ann.	4.20	22.5
Texas Life	4.50	46.0
Union Central	3.81	67.3
Virginia Life & Cas.	4.32	...
Volunteer State	3.61	67.7
Western & Southern	3.89	52.2
Wisconsin Natl.	3.70	35.3

*Ordinary only.

Bulletin Concerning Wills Has Been Sent to Agents

HARTFORD, CONN., Mar. 4.—The advisory bureau of the Connecticut General Life has reprinted for the benefit of its agents the article entitled "A Will of Your Own," which appeared in the "Reader's Digest" for February. The article sets out in a clear, concise and readable way the problems confronting the heirs of a man who dies without leaving a will or who leaves a will which is faulty.

The bureau's bulletin warns strongly against improperly drawn wills, saying that they will absolutely defeat the intention of the testators. The bulletin states that "under no circumstances should an agent furnish a blank copy of a will form or in any way attempt to advise an insured on the actual drafting or execution of a will."

Agents have been given the opportunity of obtaining additional reprints for distribution to a few of their clients.

paper accident policies. About \$4,500,000 has been under policies issued through the Chicago "Tribune." A conservative estimate is that altogether there have been paid out under newspaper accident policies more than \$30,000,000.

H. F. Fehlandt, 78, for 40 years a special agent of the Northwestern Mutual Life, died suddenly at his home in Milwaukee of a cerebral hemorrhage.

New York and Jersey Will Hold Joint Sales Congress

LOOK FOR 2,000 ATTENDANCE

Justice Cropsey of New York Supreme Court Added to List of Distinguished Speakers

NEW YORK, March 4.—The New York City Life Underwriters Association and the Northern New Jersey Life Underwriters Association, instead of holding separate all day sales congresses as in the past, will join forces this year. The meeting will open at 9 a. m., March 18, Hotel Pennsylvania, New York City. In the last few years, the New York association has split up part of the day's activities into simultaneous sessions, each specifically planned for a certain group of agents, such as new men, experienced men, or those interested in some special phase, such as business insurance. This year, however, there will be one large mass meeting. The program has been in the making since last summer and great care has been exercised to obtain speakers who would present a cross-section of material on the philosophy of life insurance selling, on motivation, on the home office point of view, on the women's angle, and on present up to the minute sales methods and plans used successfully in the field. "Wake Up and Sell," the theme of the congress, is being widely publicized by the association. A capacity audience of 2,000 is expected.

Judge Cropsey to Speak

Justice J. C. Cropsey of the New York supreme court will be a speaker, it has just been announced by H. A. Schmidt, chairman of the sales congress committee. His subject will be "Insurance and the Law."

Subjects of the talks which will be given by other speakers, who have already been announced, follow: Albert E. N. Gray, assistant secretary Prudential, will talk on "Courage." Vice-president G. S. Van Schaick of the New York Life will talk on "The Representative Character of an Insurance Salesman." C. C. Day, general agent Pacific Mutual Life, Oklahoma City, will deliver his famous talk, "A Philosophy of Living." Louis Behr, Chicago, assistant agency manager Equitable Life of New York, member of the Million Dollar Round Table and leading personal producer for the Equitable in 1936, will discuss "My Prospecting System and My Approach." D. B. Fluegelman, C. L. U., Northwestern Mutual Life, New York City, who specializes in the insurance for income approach, will talk on "The Intangible Factor."

"Women and Insurance"

"Women and Insurance" will be the subject of Miss Cathrine Curtis, national director Women Investors in America.

Oscar L. Gustafson, Davenport, Ia., who did an outstanding job of song leading at the National association convention in Des Moines, will lead the singing.

The annual banquet of the New York association, which will follow the sales congress, will be addressed by C. B. Merriam, head of the Reconstruction Finance Corporation, and Dale Carnegie, public speaking authority and author of "How to Win Friends and Influence People in Business."

Appoints Assistant Secretary

The Canada Life has announced the appointment of H. N. Watt as an assistant secretary. For some year he has been in close touch with the field as a member of the agency department and as assistant superintendent. He joined the Canada Life in 1914, was absent for three years in France on active service and returned to the head office in 1919. In his new duties Mr. Watt through his

previous experience in the agency department will act as an important link between the sales and office work.

Quota Busters Club

The Harold G. Saul general agency of the John Hancock at Los Angeles has organized a "Quota Busters Club." An attractive bronze plaque is to be awarded each month to the member who exceeds his quota by the largest percentage. Winner for January was A. E. Lovett, who exceeded his quota 146 percent. The agent who exceeds his year's quota by the largest percentage will be the

permanent holder of the plaque. Officers of the club are H. B. Keeling, president; B. B. Bedwell, vice-president, and E. N. Johns, secretary-treasurer.

Lackey to Address Lawyers

LANSING, MICH., March 4.—The Ingham County Bar Association will observe an informal "life insurance day" at its meeting Saturday, when George E. Lackey, Detroit general agent Massachusetts Mutual Life, will discuss cooperation between life underwriters and the legal profession and point out their close alliance in properly arranging the

financial program of the average business man.

Mr. Lackey has for three years been chairman of a committee of the National Association of Life Underwriters sponsoring cooperation between the life men and lawyers and has spoken throughout the country before groups of attorneys.

H. H. Cammack, St. Louis, general agent for the John Hancock Mutual Life and president of the St. Louis Association of Life Underwriters, spoke on "The Young Business Men in St. Louis" at a smoker of the young men's division of the St. Louis Chamber of Commerce.

AMERICAN UNITED LIFE'S

March of Progress

FACTS AND SUMMARY FOR 1936—American United Life takes this opportunity to emphasize not only the accomplishments of the company

in 1936 but also the records and traditions established throughout the company's sixty years of service and security. During 1936 new and additional insurance was issued, bringing the company's total insurance in force to an all-time high of over a quarter of a billion dollars. Assets of \$45,764,060.86 represent a substantial gain over 1935, with more than 50 per cent of the invested assets in Government and Municipal bonds. The company had one of the highest cash interest returns, 4.33%, on its invested assets of any old line, mutual, legal reserve company. The surplus for policyholders increased 6.83% over the previous year.

FORECAST FOR 1937—American United Life, one of the four oldest companies

west of the Allegheny mountains, anticipates a rapid and extended growth in 1937. New General Agents will be added in a number of smaller cities and towns and they will operate directly under the home office with a General Agent's contract that is one of the best and most liberal ever offered by any insurance company. If you are interested in having your own profitable business, you owe it to yourself to find out the possibility of establishing a General Agency in your community. Write immediately for complete details.

60th ANNUAL STATEMENT

December 31, 1936

ASSETS

Government and Municipal Bonds.....	\$23,498,795.93
Railroad Bonds.....	2,775,205.47
Public Utility Bonds.....	3,265,585.03
Industrial and Miscellaneous Bonds....	221,887.93
Stocks (Public Utility, Industrial and Other).....	201,744.83
Real Estate (Including Home Office Buildings).....	5,119,889.06
Real Estate Sold under Contract.....	145,401.73
First Mortgage Loans on Farm Properties	1,341,362.00
First Mortgage Loans on City Properties	1,935,175.05
Policy Loans (secured by legal reserve)	6,460,813.22
Cash on Hand or in Banks.....	924,712.37
Interest, Dividends and Rents Accrued..	703,532.89
Net Premiums Due or Deferred (secured by legal reserve).....	748,208.81
Other Assets.....	86,893.90
GROSS ASSETS.....	\$47,429,208.02
Less Assets not used in Reserve Fund..	1,665,147.16
ADMITTED ASSETS.....	\$45,764,060.86

LIABILITIES

Reserve for Insurance and Annuity Contracts.....	\$41,684,820.33
Reserve for Claims Payable in Installments and Amounts Held under Supplementary Contracts.....	1,163,280.80
Reserve for Claims Unreported or Proofs not Completed.....	301,850.37
Reserve for Premiums and Interest Paid in Advance.....	504,118.78
Reserve for Taxes Payable in 1937....	113,869.34
Reserve for Dividends Payable in 1937.	163,480.43
Reserve for All Other Liabilities.....	46,395.35
Reserve for Mortality and Investment Fluctuation.....	136,265.46
Unassigned Funds.....	1,650,000.00
	\$45,764,060.86
INSURANCE IN FORCE.....	\$267,767,881

AMERICAN UNITED LIFE INSURANCE COMPANY
★ ★ INDIANAPOLIS, IND. ★ ★

Eastern Special Conference of Management Association

The 1937 eastern special conference of the Life Office Management Association will be held at the Hotel New Yorker, New York City, April 22-23. The general theme is, "Sphere of Personnel Administration of the Life Insurance Office." The general chairman will be R. A. Taylor, assistant comptroller Sun Life of Canada.

The personnel aspect of life insurance home office management is one of particular interest to executives today. The art of office personnel selection, placement, and training, has taken on new aspects during the past few years, and the increasing demand for office workers has focused the attention of management upon the subject of compensation.

One of the features of the conference will be a panel discussion of the "Present Status of Social Security Tax Requirements and Compliance Procedure." R. M. Olzendam, director of the social security bureau of the Metropolitan Life, will direct the discussion. It is expected

that there will be about 150 representatives of member companies in attendance. The program is:

Thursday Morning, April 22

Opening remarks by association president Georgon A. Hardwick, vice-president and comptroller Penn Mutual Life. "Trends in Clerical Selection and Training Procedure"—routine jobs, advanced positions, college graduates, R. R. Combs, assistant secretary Massachusetts Mutual.

Discussion—Miss Dorothy B. Goldsmith, personnel director Guardian Life; H. L. Rhoades, assistant to personnel officer Metropolitan Life, and D. M. Stevenson, assistant secretary London Life.

Afternoon Session, April 22

"University Training for Life Insurance Office Work," Prof. R. H. Blanchard, school of business, Columbia University. "Insurance Education for Non-Technical Office Workers," W. H. Harrison, actuary Ohio National Life. Discussion, H. E. St. Clair, associate

educational secretary Life Office Management Association.

"Home Office Employees Extra-Curricular Activities," social and athletic associations, home office house organs, and other so-called "welfare activities," R. N. Hayes, assistant secretary State Mutual Life.

"Employees Savings and Loan Facilities (Credit Unions)," E. D. Murphy, assistant secretary New York Life.

Friday Morning, April 23

Chairman, George W. Skilton, comptroller Connecticut General. "Maintaining Nervous and Emotional Health," Dr. Lydia Giberson, neuropsychiatrist Metropolitan Life.

"Compensation of Life Office Employees: A Problem in Incentives," H. A. Hopf, managing partner Hopf, Kent, Willard & Company, New York City.

"Job Rating and Salary Standardization with a Discussion of the Possibilities and Limitations of Piece Work and Bonus Plans," R. E. McNeal, manager standardization division Curtis Publishing Company.

Discussion, P. L. Dickinson, personnel department Aetna Life.

Afternoon Session, April 23

"A Survey of Life Office Employee Pension, Sick and Death Benefit Plans": "Pensions" (speaker to be selected.) "Sick and Death Benefits," W. C. Damuth, planning supervisor Home Life.

Panel Discussion, "Present Status of Social Security Tax Requirements," leader, R. M. Olzendam, director social

Mrs. Roosevelt Addresses Southern Associations

Mrs. Franklin D. Roosevelt is scheduled to address the Knoxville (Tenn.) Life Underwriters Association this week at a joint meeting with the local Parent-Teacher Association. Other southern life underwriters associations have been negotiating to have Mrs. Roosevelt address their gatherings. She is to address the Birmingham group. The arrangements at Knoxville and elsewhere were made by the individual associations and not through the National Association of Life Underwriters.

security bureau, Metropolitan Life; F. P. McGuire, attorney Connecticut General; R. A. Armstrong, attorney Massachusetts Mutual Life; Wm. P. Barber, Jr., associate actuary Connecticut Mutual; J. R. Sykes, vice-president and comptroller Fidelity Mutual.

General Agents' Conference

Northwestern Mutual Life Organization Holds Mid-Winter Meeting in Milwaukee

MILWAUKEE, Mar. 4.—The General Agents Association of the Northwestern Mutual Life held its annual mid-winter conference at the home office. The local meeting replaces the zone conferences formerly held in three key cities across the country, a plan adopted successfully last year. Under the present plan general agents from all parts of the country come to Milwaukee.

The home office section, with G. L. Hill, director of agencies, as chairman, occupied the first day and a half. B. J. Stumm, Aurora, Ill., association president, was the first speaker Monday morning. Following him were various company officials who discussed with general agents matters pertaining to their particular departments. They included Frederick Walker and Howard Thomas, vice-presidents; P. H. Evans, vice president and actuary; Dr. D. E. W. Wenstrand, medical director; G. L. Anderson, secretary; J. P. McDonald, agency assistant; Mr. Hill, U. H. Poindexter, L. J. Evans, N. D. Phelps, W. R. Chapman, assistant directors. Edmund Fitzgerald, vice-president, was toastmaster at an informal dinner. President M. J. Cleary, scheduled to speak, was unable to be present on account of illness. The 80th anniversary and progress of the company was the keynote of the dinner.

General Agents' Session

The general agents section, for general agents only, held an executive session with R. A. Clark, Pittsburgh, chairman of the program committee, in charge for a preview of the 1937 zone conference program and introduction of the subject "Induction into Production." Following this there were group discussions for agents in city, mixed and rural fields.

Closing Program

M. A. Carroll, Oshkosh, Wis., introduced the subject of "Cooperation" for general discussion, followed by talks by the three groups. H. L. Cramer, South Bend, Ind., presided at the final general session. Speakers were L. E. Allen, Atlanta, discussing 1937 plans; Mr. Stumm and Mr. Fitzgerald.

Officers of the General Agents association, in addition to President Stumm, are L. F. Larson, Portland, Ore.; E. R. Gettings, Albany, N. Y., and Mr. Carroll, Oshkosh, vice-presidents; and Roswell Pickford, Cedar Rapids, Ia., secretary-treasurer. The annual meeting and election of officers of the association is held in Milwaukee in July each year at the time of the annual meeting of the Northwestern Mutual Association of Agents.

The Farmers and Bankers Life Insurance Company

Wichita, Kansas

Presents Its

TWENTY-SIXTH ANNUAL STATEMENT

Showing Condition of Company December 31, 1936

ADMITTED ASSETS

Cash in Banks.....	\$ 371,947.39
Checking Accounts in Insured Banks.....	
U. S. Government Bonds at Par.....	483,000.00
Market Value \$507,040.00	
Federal Land Bank, Federal Farm Mortgage, and Home Owners' Loan Corporation Bonds at Par.....	1,809,700.00
This Group Worth \$1,887,805.50 January, 1937 Market.	
State, County and Municipal Bonds, Company's Valuation for Inventory Only.....	1,734,812.92
(Par Value \$2,213,930.19.)	
Real Estate Owned.....	1,059,589.90
Carried at Unpaid Amount of Original Loan, less Credits on Sales Contracts.	
First Mortgages on Real Estate.....	2,386,862.26
On Improved Real Estate Appraised for \$8,312,167.00.	
Advanced to Borrowers for Taxes on Real Estate Secured under First Mortgage.....	14,388.72
Loans and Liens on Policies.....	2,448,476.86
Secured by Legal Reserve.	
Accrued Interest.....	104,222.04
Earned but not Due on Mortgages and on Bonds not in Default.	
Net Premiums in Process of Collection.....	250,889.24
Secured by Legal Reserve.	
Furniture and Fixtures.....	Charged Off
Radio Station KFBI.....	Charged Off

Total Admitted Assets.....\$10,663,889.33

LIABILITIES

Legal Reserve on Policies.....	\$ 8,421,711.31
As required by State Insurance Department.	
Reserve to Provide for Fluctuation of Mortality..	135,000.00
In Excess of Legal Reserve.	
Reserve to Provide for Fluctuation of Market Value of Assets.....	193,884.87
Credits to Policyholders left with Company on Deposit at Interest.....	846,581.57
Money Borrowed or Interest Paid.....	None
Reserve for Taxes.....	96,041.64
Death Claims Due and Unpaid.....	None
Death Claims Reported but Proof Not Completed December 31, 1936.....	11,514.00
Premiums and Interest Paid in Advance.....	112,162.36
Special Funds Payable to Policyholders in 1937..	99,833.28
All Other Liabilities.....	72,160.30
Capital and Surplus.....	675,000.00
For Additional Protection to Policyholders.	

Thanks for your interest in reading this statement.
Further inquiry or comment is solicited.

Total Liabilities.....\$10,663,889.33

INSURANCE IN FORCE December 31, 1936 . . . \$52,892,153.00

The Farmers & Bankers Life Insurance Company operates under the Kansas Compulsory Reserve Deposit Law, and every Policy ever issued by this company is registered with the Insurance Department of the State of Kansas, and bears that Department's Registration Certificate stating not only that the policy is registered but that it is secured by a pledge of securities of the required type deposited with the State of Kansas in an amount equal to the full legal reserve on the policy.

OFFICERS

H. K. Lindsley, President

F. B. Jacobshagen, Secretary

J. H. Stewart, Jr., Vice-Pres.-Treas.

HOME OFFICE, WICHITA, KANSAS

KFBI — 1050 Kilocycles

Federal Life President on a Famous World Tour



ISAAC MILLER HAMILTON

President Isaac Miller Hamilton of the Federal Life of Chicago left Monday evening for San Francisco on the start of a round-the-world trip—mostly by air—which will include visits to London for the coronation and to Moscow for the famous Red Army review before Lenin's tomb on May day. Audiences with the regent of Siam, the nizam of Hyderabad and the shah of Persia will be other highlights of the trip.

Mr. Hamilton, despite the fact that he is 72 years old, is making the 20,000-mile trip accompanied by only one guest, Col. E. A. Powell of Los Angeles, noted travel writer. They will leave the west coast March 5 aboard the SS. "Lurline" for Hawaii, where they will board the China Clipper March 12 to fly to Midway, Wake, Guam and Manila.

Will Go to China

Arriving in Manila March 16, Mr. Hamilton will leave the next day aboard the Dutch liner "Tasman" for Saigon, Indo-China. By automobile and boat they will travel into the interior of Cambodia to visit the ancient Khmer capital of Angkor Thom and the famous ruins of Angkor Wat, then on to the Siamese border, where he will entrain for Bangkok. The present regent of Siam is a personal friend of Col. Powell and arrangements have been made for a two day trip up the Menam river aboard a government yacht.

On March 28 they will leave Bangkok aboard an Air France plane for Moulmein, Rangoon and Calcutta. There they will entrain for Hyderabad to witness part of the 25th coronation anniversary ceremonies in honor of the nizam of Hyderabad, premier prince of India and reputed to be the richest man in the world. In his frequent journeys to India Col. Powell has been the guest of the nizam on several occasions, so the travelers are expecting to have an interesting time at the prince's durbar.

Will Visit Points in India

From Hyderabad they will cross central India bound north to Delhi, the new capital of the British Raj, then on to Lahore, famous for the Shalimar, a garden laid out by Shah Jehan in 1637 and made world famous by the line "White hands I loved beside the Shalimar."

From the Vale of Kashmir they will turn southwestward again, through Gahri, Rawalpindi, Agra, the deserted city of Fatehpur Sikri, to Allahabad where they will again board an Air France liner for Jodhpur and across Baluchistan to Karachi, on the Arabian sea. Continuing by air up the eastern shore of the Persian Gulf they will reach Bushire after an overnight stop at Djask. From Bushire starts one of the most interesting legs of the journey, a ten-

day automobile caravan across Iran (the new name of Persia). Stops will be made at Shiraz, at the famous ruins of Persepolis, Ispahan and Teheran, where they will meet the shah of Iran, who some years ago decorated Col. Powell with a Persian order.

From the Georgian capital of Tiflis, a motor trip over the famous Georgian military road will bring them to Ordjonikidze, where they will be met by a Russian plane for the flight to Moscow, with an overnight stop at Rostov-on-Don. Arriving in Moscow on April 30 they will be in time for the all-day review on May 1, when more than 1,000,000 armed men, with squadrons of tanks and squadrons of airplanes, will pass in review through Red Square before the Kremlin, and by the tomb of Lenin. They will entrain for Leningrad and then board a German plane for Tallinn, Estonia; Helsinki, Finland; Stockholm, Sweden; Copenhagen, Denmark; Amsterdam, Holland, and London, where they will arrive May 11, the eve of the coronation.

Will Fly Across the Atlantic

While in London Mr. Hamilton will visit his friends, Sir Richard and Lady Winstedt, who were his house guests in Chicago about a year ago, and he will then fly to Paris for a short visit with Prince and Princess Dimitri Djordjadze,

returning to London to rejoin Col. Powell about May 24.

On May 26 Mr. Hamilton and Col. Powell will fly to Frankfurt-am-Main to board the Zeppelin "Hindenburg" for the flight to Lakehurst, N. J. A plane will be waiting there to take them to New York, where they will board an air liner for Chicago.

THE WEEK IN INSURANCE

Recruiting of quality agents threatens to become more difficult, because of increasing use of scientific selection standards in other lines of business. **Page 1**

Suspensions of licenses of Federal Life, North American Accident and Washington National in Pennsylvania are lifted. **Page 4**

Retirement earlier than age 65 found good approach in supplementing federal security benefit. **Page 14**

Tax avoidance methods as sales tools described by J. H. Reese. **Page 8**

New York and Northern New Jersey life underwriters' associations will hold joint sales congress in New York City. **Page 5**

Owing to change in rates March 1 agents of the Aetna Life, Travelers and

Connecticut General did a land office business in February. **Page 3**

Valuable sales suggestions presented at congress of St. Louis Life Underwriters Association. **Page 3**

Northwestern Mutual Life celebrating its 80th anniversary. **Page 1**

Northwestern Mutual Life General Agents Association holds mid-winter meeting. **Page 6**

Program of eastern special conference of the Life Office Management Association is announced. **Page 6**

President Isaac Miller Hamilton of the Federal Life of Chicago starts on a world tour. **Page 7**

J. G. Sigmund, former vice-president Cedar Rapids Life, becomes Cedar Rapids general agent of the Minnesota Mutual. **Page 17**

Modern Woodmen is found 100 percent solvent in eight-state examination. **Page 21**

Analysis of agents' sales contacts made in Watson agency of Connecticut Mutual Life, Boston, is presented by Bertrand R. Canfield, director sales division, Babson Institute. **Page 23**

The Ohio State Life Insurance Company

COLUMBUS, OHIO

FINANCIAL CONDITION, DECEMBER 31, 1936

ASSETS

Bonds (Market Value \$5,150,887)	\$ 4,772,550.00
Cash on Hand	364,845.91
First Mortgage Loans	6,626,674.81
Real Estate (including Home Office and Real Estate Sold on Contract)	2,251,842.93
Loans to Policyholders	2,890,211.83
Premium Notes	58,805.98
Accrued Interest (None Past Due)	100,004.03
Premiums in Course of Collection	319,584.98
Total Assets	\$17,384,520.47

LIABILITIES AND SURPLUS

Policy Reserves	\$14,770,731.33
Death Claims Due and Unpaid	None
Claims Awaiting Completion	42,519.85
Premiums and Interest Paid in Advance	242,904.97
Dividends to Credit of Policyholders	304,571.39
Dividends to Policyholders for 1937	131,000.00
Reserve for Taxes Payable in 1937	65,481.51
Miscellaneous Liabilities	18,044.64
Capital Stock	\$ 500,000.00
Contingency Funds	309,266.78
Surplus	1,000,000.00
Policyholders' Surplus (Including Contingency Funds)	\$ 1,809,266.78
Total Liabilities and Surplus	\$17,384,520.47

Insurance in Force, Assets, Surplus and Income Greatest in the Company's History

The Quality of the Assets and Their Ratio to Liabilities Make This One of the Outstanding Life Insurance Companies Upon Any Basis of Comparison

CLARIS ADAMS
President

FRANK L. BARNES
Agency Vice President

JOSEPH K. BYE
Secretary

LIFE—HEALTH—ACCIDENT INSURANCE

Taxation Angle of Life Insurance Is Important

NEW YORK, March 4.—How to keep estate and gift taxes to a minimum was described by J. H. Reese, Penn Mutual Life agent in Philadelphia, at the New York City Life Underwriters Association's third lecture on the technique of life insurance selling. Mr. Reese stressed the legitimacy of avoiding unnecessary taxation as contrasted with the danger and futility of evasion.

He quoted the statement by a federal judge that "a transaction does not lose its immunity because it is actuated by the desire to avoid taxation. Anyone can arrange his affairs so that his taxes will be as low as possible; there is not even a patriotic duty to increase one's

taxes." The government has no complaint simply because tax saving is the object of a transaction, Mr. Reese observed, pointing out that it is the means rather than the end that is important.

Saying that a study of a large number of estates showed that the average depreciation in large estates would be, under present conditions, from 20 percent on a \$100,000 estate up to 63 percent on a \$10,000,000 estate, Mr. Reese explained how the use of life insurance and the gift tax exemption could substantially decrease the federal estate tax.

Taking the top \$100,000 in a \$1,000,000 estate, on which the federal tax would be \$31,130, leaving a net to the heirs of

\$68,870 on that particular \$100,000 fraction, Mr. Reese suggested making a gift of \$71,338, on which the gift tax would be \$735.

This \$71,338 was used to buy a single-premium 15-year endowment policy for \$100,000. In this case, a father, 59 years old, who was uninsurable, bought the policy for his daughter, aged 35. The 15-year plan was chosen because it corresponded roughly with his life expectancy. In addition to the \$100,000 guaranteed by the policy, dividends would amount to \$17,395 more, on the present dividend basis. In this way the daughter would receive \$117,395 or \$48,525 more than the \$68,870 that she would have received if the transfer had been made by will.

Another case dealt with a grandfather's plan for his grandchildren. He was 71 years old, with an expectancy of 8 years. He had 18 grandchildren, whose average age was 10. The top of his estate was in the 30 percent bracket. He bought limited payment endowments to provide estates for his grandchildren when they should reach maturity. For example, the policy for a child aged 10 was a 5-payment 20 year endowment, with an annual premium of \$4,824, which put it within the annual gift tax exemption. The face insurance value was \$33,500, which is within the child's insurance exemption. This would grow to approximately \$42,000 with dividend accumulations. The total deposits in five years would be \$434,000.

Saved About \$30,000 Over Usual Procedure

If transferred by will, this fund would be about \$30,000 less, or \$304,000. Under the plan described by Mr. Reese, the aggregate value of inheritances when received would be more than \$750,000, on the maturity of the endowments.

Mr. Reese pointed out that while there is a federal income tax on the appreciation in value of an endowment when it is received by the beneficiary, the tax does not apply if an option is specified so that the beneficiary cannot receive the face amount of the endowment.

Undistributed Profits Tax Cut by Insurance

Mr. Reese described the use of life insurance as a means of reducing the undistributed profits tax which a corporation would have to pay otherwise. He took the case of a corporation with a profit of \$50,000 of which it would normally allocate \$20,000 for distribution and \$30,000 to surplus. Under the plan proposed by Mr. Reese, it would pay out \$35,000 in dividends, thereby decreasing the tax it would have to pay on undistributed profits and add only \$15,000 to free surplus.

Instead of the extra \$15,000 that would have been added to free surplus under the normal procedure, business insurance amounting to \$100,000 would be purchased, on which the premium in this particular case would be \$3,094. Thus, instead of an undistributed surplus tax of \$3,582, the firm would have to pay only \$752 in undistributed profits taxation.

Mr. Reese pointed out that the tax laws make possible to the average well-to-do man four channels for transferring property without payment of tax: \$40,000 estate exemption; \$40,000 life insurance exemption; \$40,000 gift tax exemption; and the \$5,000 annual gift tax exemption. In addition, these same exemptions apply to the man's wife, so that there are really eight channels in all.

J. Ross Gray Promoted

A new appointment to the executive staff has been made by the Canada Life in the promotion of J. Ross Gray to assistant actuary. He joined the company in 1924 and since then has had a broad experience in actuarial work including underwriting and reinsurance. In 1922 he completed the fellowship examinations of the Actuarial Society.

Many Executives Attend J. B. Reynolds Obsequies

More than 1,200 friends of J. B. Reynolds, late president of the Kansas City Life, occupied the Calvary Baptist Church in Kansas City to pay tribute to a man whose leadership in the city and in the middle west attracted no more recognition than his personal qualities attracted friendship and esteem.

Insurance executives were there to pay their respects to a man who had so signally discharged the responsibilities of leadership in life insurance.

Tribute from the Church

Mr. Reynolds was a man who placed confidence in others as well as inspired it in them, Dr. C. V. Day, pastor of the Calvary church, told the funeral assemblage. He was a builder. His ambitions and foresight included those associated with him as well as himself. He possessed a gift for personal friendships of an enduring sort, as well as for business leadership.

Dr. Day brought out Mr. Reynolds' fundamentalist attitude toward religion, his interest in the study of the Bible and Biblical characters. Not only was his life useful and his career a full one, but his labors would not end with his life, Dr. Day concluded.

To Mr. Reynolds' sentiment for William Jewell College at Liberty, Mo., a Baptist school to which he contributed liberally, Dr. J. F. Harget, president, paid tribute. Mr. Reynolds was vice-president of the William Jewell trustees. Students from the college were the active pallbearers. The body was cremated.

Many Company Executives Present

Among the insurance men in attendance at the funeral of Mr. Reynolds were the following:

T. A. Phillips, president American Life Convention and president Minnesota Mutual; G. S. Nollen, president Bankers Life of Iowa; H. R. Wilson, vice-president American United; W. T. Grant, president Business Men's Assurance; C. B. Robbins, manager American Life Convention; R. H. Kastner, associate counsel American Life Convention; Mildred Hammond, assistant secretary American Life Convention; Lee N. Parker, president American Service Bureau; B. M. Woodsmall, vice-president American Service Bureau; M. Phillips, Kansas City manager American Service Bureau; Dr. H. W. Cook, vice-president Northwestern National Life; Daniel Boone, president Midland Life of Kansas City; Henry Abels, vice-president Franklin Life; George Graham, vice-president Manhattan Life; Claris Adams, president Ohio State Life; Howard Oden, vice-president North American Reassurance; Walter E. Webb, vice-president Hercules Life; George E. Bulkeley, vice-president Connecticut General; R. E. O'Malley, commissioner of insurance, Missouri; Dave Meacham, Hooper-Holmes Bureau, Chicago; Lee J. Dougherty, president Guaranty Life of Davenport; A. L. McCormack, president Central States Life, St. Louis; Walter Bales, vice-president Midland Life of Kansas City; J. H. Torrance, vice-president Business Men's Assurance; J. E. McPherson, treasurer Business Men's Assurance; Oliver Thornton, vice-president Midland Life of Kansas City; W. W. Head, president General American Life; J. C. Higdon, vice-president Business Men's Assurance; A. I. Beach, counsel Business Men's Assurance; S. T. Gilmore, general counsel Business Men's Assurance; Assistant Secretary Sears, Business Men's Assurance, Kansas City; L. D. Ramsey, secretary Business Men's Assurance, and W. R. Jones, president National Fidelity Life.

Vice-president J. C. Hatfield of the Union Central was bereaved by the death of his wife at Hot Springs, Ark., during a business trip on which she had accompanied him. Death was caused by a heart attack.

Something More Than a Pat on the Back

Indeed yes, a whole lot more than the traditional blessing is provided the men and women who serve with the Great Southern.

The good old days are gone, and with them the good old prospect, who could be brow-beaten into taking a policy. Today that prospect has been replaced by the individual who is keenly alive to his needs for protection, and the uses to which life insurance can be put in serving those needs.

The Great Southern has recognized this changed attitude and today is the only company domiciled in the great Southwest equipped with a complete line of both Participating and Non-Participating Protection.

Then there is "The Twin Salesman", to march shoulder to shoulder with every Great Southern Representative. A direct mail service which recently received the Award of Merit from the Life Advertisers Association, it has conclusively proven itself effective in bringing our representatives and their prospects together.

Finally, through contracts made directly with the Home Office, a definitely personal relationship is maintained from the very beginning.

For these reasons, and because the Great Southern is respected as a sound company, sincerely managed in the interests of its policyholders, to be a Great Southerner is at once a mark of distinction and a challenge to unlimited achievement.



Great Southern Life Insurance Co.

E. P. Greenwood, President

Home Office - Houston, Texas

Agents' Status Under U. S. Pension Act Still in Doubt

TENDENCY FAVORS INCLUSION

Northwestern Mutual Life Producers' Contracts May Have Decisive Bearing on Final Ruling

Last week end was the deadline for the filing of reports by employers in connection with the federal old age pension plan covering January payrolls. Most of the life companies have appended to their returns a brief statement that the reports did not cover compensation paid to agents. Some of the industrial companies have been making deductions and their reports covered compensation to agents.

A conference was held in Washington last week, primarily to discuss the status of Northwestern Mutual Life agents. Attorney W. E. Jones of that company made the presentation. Col. C. B. Robbins, manager of the American Life Convention, was on hand and made a brief statement, pointing out that the agency contracts of one or two other companies were almost identical with those of Northwestern Mutual. Ralph H. Kastner, associate counsel American Life Convention, was also on hand.

The social security authorities were unwilling to state just when a decision on the status of agents generally might be expected.

Still No General Ruling

The authorities have declined so far to make any general ruling on the status of agents. The life companies have been more interested lately in the question than have fire and casualty people. The social security board has been taking up the agency contracts of individual life companies and making specific decisions.

The life companies and as a matter of fact some of the accident and health companies have outstanding, old agency contracts that undertook in various ways to exercise control over the agent. For instance, the agent might be prohibited from engaging in any other business, he might be restricted in the type of sales literature he could use, etc. Although many of these provisions are regarded as dead letters, yet they stand in print and it may be that the companies will have a difficult job overcoming the presumption that under these contracts agents are under close enough control to be regarded as employees. If the agents of some companies are held to be employees, while those of other companies are to be regarded as independent contractors, then a competitive situation will be introduced because companies in the former group will have to make deductions from commission checks.

If the Northwestern Mutual's agents are held to be employees the outlook for commission-compensated agents of other companies would be very strongly that they too would be held to be employees, since the Northwestern Mutual's agency contract is probably more free of any-

Losing General Agents to be Taken on "Ride"

The Dallas agency of the Jefferson Standard Life, R. M. White, manager, and the Fort Worth agency, Jack Fenton, manager, combined in a contest during February with the San Antonio agency, O. P. Schnabel, manager. Although the latter office won with production of \$750,000 for the month; the combined Dallas and Fort Worth agencies produced \$700,000, which is the largest February in their history.

These agencies are "celebrating" in spite of their defeat. Messrs. White and Fenton will be required to ride a burro through the lobby of the Plaza hotel at San Antonio during the company convention there in April.

Joseph Futz Insurance School to Be Launched

EIGHTY-FOUR, PA., March 4.—Our enterprising, up and coming local agent, Joseph Futz, received a personal call last Sunday from Agent D. J. Walter, head of the L. H. Walter Agency at Carnegie, Pa. Mr. Walter honored Agent Futz by bringing his family in his car. He spent three hours with Mr. Futz, making a thorough inspection of the new Futz office building and its insurance equipment. Mr. Walter was so much impressed with Mr. Futz' comprehensive and penetrating knowledge of insurance in all its branches that he suggested to him that he should establish some kind of a training school for insurance solicitors. Later on he might open a school for officials. Mr. Futz now plans to establish in our community the Joseph Futz Insurance & Underwriting School. He will be president and chief of the faculty. His two partners will be instructors and he will arrange to have guest lecturers. He intends to have this school operated so that the entire work will be done Sunday afternoon, starting at 2:30 o'clock. This will bring to Eighty-Four a number of insurance men from western Pennsylvania and will put Eighty-Four again on the map in thoroughgoing shape.

thing that could be construed as exercising control than any other company's.

The tendency of the Social Security Board and the Internal Revenue Bureau is very strongly to include all possible classes as employees and not to permit any exclusion. Recent efforts to get farm labor and domestic servants included in the act under an amendment indicate that the administration is working strongly to make the social security act even more all-inclusive than it is now.

Tax Power Brings Fetters, Parkinson Tells Students

BUFFALO, March 4.—Thomas I. Parkinson, president of the Equitable Life of New York, Tuesday addressed members of the school of business administration of the University of Buffalo.

Speaking in a series of lectures given by business leaders, Mr. Parkinson based his address on "Regulatory Taxation," before an audience of more than 250. He outlined the steps by which the federal government has made use of its taxing power for regulation of business. The movement which got under way in 1910 has developed into an important source of power for the federal government, he said, although many of these measures have been declared unconstitutional as an unauthorized use of taxing power.

Such bills as the Guffey coal act and unemployment insurance are examples of the use of the taxing authority to regulate business, Mr. Parkinson declared. Following his address, Mr. Parkinson conducted a round table before a special group of students on question raised in his address and other pertinent subjects brought up by the group. Mr. Parkinson recently was named an associate faculty member of the business school.

In the evening he was guest at a small dinner given by employees of the Buffalo office of Equitable. Toastmaster was Clarence B. Metzger, Buffalo district manager. He was introduced by John L. O'Brian, a director of the Equitable. Mr. Parkinson complimented members of the Buffalo organization on their record during the year. Frank A. Keppner, Jr., was chairman of the dinner.

Here's Your Future!



B. M. A. Salesmen Can Travel All Three

Why must any man travel only one road?

Surely there is more than one road to success.

No insurance man will admit that "Just Life Insurance" offers Complete Protection. They all agree, "There are three major causes of income loss—accident, sickness or death."

No wonder B.M.A. salesmen are establishing consecutive gains in SALES. They are "Traveling all three roads." They are selling all three forms of protection. Yes, they are finding business GOOD because they are selling a Complete Insurance service which includes Life, Accident and Health Protection.

BUSINESS MEN'S ASSURANCE CO.

Kansas City, Missouri

W. T. GRANT, President

Other Lines Grab Quality Recruits

(CONTINUED FROM PAGE 1)

This more careful selection of its recruits by other businesses is likely to have still another effect on future development of life insurance agencies. In the past the life insurance has drawn many of its recruits from men between the ages of 30 and 45 who have become dissatisfied in what they considered to be blind-alley jobs. This situation has been due in large part to the failure of the previous employers of these men to build their better grade personal systematically. Consequently there was often a shortage of good men in one department and a surplus in another.

Along with the greater awareness of the wisdom of selecting the best qualified men at the start, big business is also realizing the need of keeping its better men satisfied, giving them a chance to get ahead and not feeling that they are stymied. As a result of this, the life insurance may logically expect fewer and fewer able but dissatisfied superior men to come into its ranks from other lines of business.

The problem of getting good recruits from other lines of business where men

have become dissatisfied with the opportunities open is going to be somewhat increased by the inter-company part-time agent agreement. This prevents general agents and managers of signatory companies from trying out likely candidates on a part-time basis while they still hold their old jobs until they have proven their qualifications for selling and progressed far enough in their apprenticeship to be able to go into the business with a flying start.

Agency heads and supervisors directly charged with recruiting are finding it an extremely uphill job to sell good men the idea of going into the business when it means cutting loose from a job which is not only steady but usually has prospects of improving as prosperity returns. While there are some good men left without jobs, the financing problem is even more acute with them. In addition, they are likely to be so anxious to get any job at all, if there is financing connected with it, that they will oversell themselves and the general agent on their enthusiasm for becoming life insurance agents.

Some recruiters, familiar with the high mortality of new agents, have genuine pangs of conscience about getting a man to quit a steady job and go into what may prove the extremely risky venture of selling life insurance. Not

only is there a high chance that with present inexact selection methods the new man will prove himself totally unqualified as a life insurance salesman, but the odds are that even if he is as successful as the average well qualified agent he will produce a volume of business which, though creditable, will require, in his first year at least, some outside financial assistance.

While there are outstanding examples of men who have made a whirlwind success in their first year in the business, the general experience is that as in any other business or profession in which the individual is virtually an independent entrepreneur, the first year's earnings are extremely small. Many life insurance men, like many businesses, have had to cut their careers short through lack of capital even when they have had everything else necessary for eventual success.

Quite a few of those charged with recruiting fervently wish that some sort of salary basis could be evolved which would be generally applicable and yet not cost an agency or company too much money. At the same time, the present stage of development and the selection and training processes must advance to a point where the companies can afford to bet more heavily on their own selections.

Option Menace Hit by Lawyer

(CONTINUED FROM PAGE 1)

the agents of companies which are more careful and conscientious."

The author is particularly critical of agreements providing for a vast array of contingencies and beneficiaries out of all reason:

"The examples which have been cited, of inadequate and improvident settlement agreements, present only a part of the picture. Anxious to comply with the wishes of the policyholder and the agent, the one governed by concern for his family, the other by the zeal of the salesman, neither of them restrained by any knowledge of the law, the companies put into the agreements involved, enigmatic and inconsistent provisions, defer payments for wholly unnecessary and unreasonable periods, provide for a seemingly endless series of contingencies and nominate as possible beneficiaries all the persons of whom the policyholder can think.

Invite Litigation

"It is not necessary to point out that agreements so drawn invite controversy and litigation. Disappointed beneficiaries as well as creditors, can cause endless difficulties. Those who were the policyholder's chief concern do not know where they stand. They are faced by the very anxiety and responsibilities against which he had so earnestly and confidently planned to protect them."

Answers to Policyholders Tax Questions Are Outlined

(CONTINUED FROM PAGE 2)

capable of gift, and if assignment was not made in contemplation of death, but a gift made between living persons, the insured having divested himself of all interests which he had in the policy (contract rights), and the property having vested immediately upon the date of the gift, the life insurance proceeds are not taxable to the insured's estate at death. The measure of the gift to the donee is the net cash surrender value, if any, at date of assignment, plus the prepaid insurance adjusted to the date of assignment. Also each subsequent premium payment, if made by the insured, is a gift in the amount thereof.

A good thing about giving away life insurance is that its computed value is very low. Doubling of the federal estate tax in the lower brackets has made life insurance so popular for this purpose.

One good way for a rich man to give away property is single premium endow-

Boom Started



JOHN W. YATES

Well in advance of the annual meeting of the National Association of Life Underwriters, the Los Angeles association has started a movement in behalf of the election of John W. Yates as a national trustee. The directors of the Los Angeles association recently adopted a resolution urging the election of Mr. Yates. A "Yates for trustee" committee has been organized, with John Newton Russell, Pacific Mutual, as chairman. The other members are Kellogg Van Winkle, Equitable of New York, and J. H. Cowles, Provident Mutual.

Mr. Yates is general agent for the Massachusetts Mutual in Los Angeles. He served as secretary and trustee of the National association in 1932-33 and was chairman of the program committee for the Pittsburgh convention in 1932.

ment insurance. The donor can, under the endowment, withhold the gift for 10, 15 or 20 years, and avoid the risk of tax and of dissipation by a child or beneficiary.

Northwestern Mutual Life Is Now 80 Years of Age

(CONTINUED FROM PAGE 1)

P. Behling, now treasurer, starting Aug. 17, 1882; James H. Geraghty, Oct. 28, 1883; Dr. J. W. Fisher, now medical director emeritus, Dec. 15, 1885, and William J. Farnham, April 18, 1886.

No formal celebration marked the 80th anniversary. The General Agents Association arranged to hold its annual conference at the home office March 1-3 with a dinner on the night of the anniversary date. The field force conducted a special anniversary drive with results formally presented to President Cleary.

Ask Increase for Pa. Department

The budget message of Governor Earle of Pennsylvania recommended a \$75,000 increase in the insurance department's appropriation for this biennium. This increase, according to the governor, will establish a security valuation division and provide other necessary strengthening factors.

The governor suggested an appropriation of \$25,000 to the department to pay the cost of liquidating companies taken over by the department which have no assets.

Becomes Claim in Week

The Protective Life of Birmingham issued a \$5,000 policy on Dec. 31 on the life of G. E. Parrish of Clanton, Ala. He paid the \$76.90 premium on Dec. 28 and died on Dec. 31 and his wife received a \$5,000 check on Jan. 7.

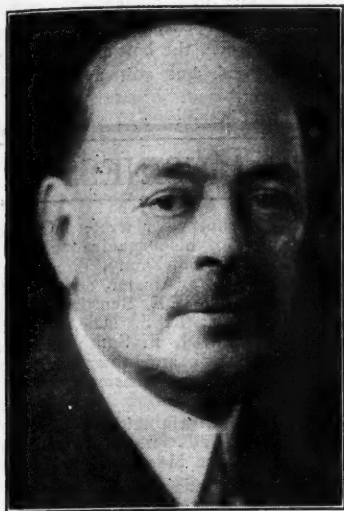
A NEW ENGLAND INSTITUTION

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

Home Office—Boston, Massachusetts

HOME OF THE MINUTE MAN

"Valentine" President Gets Heart Applications



WILLIAM H. KINGSLEY

President W. H. Kingsley of the Penn Mutual Life has many points of interest and many strains woven into his varied fabric. There is a touch of romance as to the day on which he was born, Feb. 14, which is Valentine's Day. He makes much of his Valentine's Day nativity. The agents showed their appreciation by pledges printed on red hearts, indicative of the applications forwarded. By Monday all the valentines had been mounted on boards and supplied with easels. They were taken to the president's office where its four walls were not sufficient for the easels standing in a single row. "Bishop" Stewart Anderson, of the publicity and advertising department, characterizes the scene as a "gorgeous sight." The valentines were placed in his office while President Kingsley was elsewhere and in due season Vice-president A. E. Patterson captured the Valentine president, took him to his office and made a characteristic valentine-birthday talk which was filled with romance and rhapsody.

Sales Ideas at St. Louis Congress Are Profitable

(CONTINUED FROM PAGE 3)

ask these questions. Have you arranged your life insurance so as to eliminate shrinkage from probate and administrative costs? Are you sure that your policies are payable to those whom you wish to protect? The usual response is, "What do you mean?" Mr. Rosenthal then cites complications involved when the wife as first beneficiary is killed in the same accident as the assured but survives him by a few minutes. Such questions arouse interest and get the prospect talking about his life insurance.

Mr. Rosenthal outlined advantages to be gained by agents in using settlement options:

Quality Prospecting Needed

"1. Makes for satisfied policyholders. Your client feels that you have rendered a real service to him in making his insurance tailor-made for his situation. He feels also that you have given him all of the privileges to which he is entitled under his policies.

"2. This builds prestige and enables the life insurance salesman to get testimonial letters and make of his policyholders centers of influence.

"3. By selling on an income, settlement option basis, the average size policies are from 50 to 100 per cent larger. Policies payable on an option basis stay on the books longer. These two facts

mean larger first year commissions and longer renewals."

Prospecting was discussed by Mr. Becker. Three years ago he realized that, although he was making about 75 sales a year, his earnings were not sufficient. He decided he could not increase the number of sales much, so to earn more money he had to raise the average size of the policies sold. This meant quality prospecting through a definite system. He developed a referred prospecting plan, asking each applicant for four names of friends.

From his list of policyholders Mr. Becker selected his "quality" policyholders, those who held positions of importance and had prestige. These policyholders were developed into active centers of influence. To gain their confidence and enthusiasm he carefully programmed their insurance so they were interested in telling their friends of the results.

Must Develop Friends

Mr. Becker found it more necessary to sell his friends and relatives on the fact that he is a good life insurance man than it is with strangers. He follows the same procedure with them as he does with his policyholders to establish them as centers of influence.

Prospects are also secured from those who do not buy. "When I have tried to make a sale and I am convinced that the man is sincere, and that he just does not have the money to add to his insurance program, instead of leaving him and not gaining anything at all out of the interview, I now make a real effort to secure some prospects from him," said Mr. Becker.

Mr. Wurtenbacher gave a sales demonstration.

"Client Building" was discussed by Mr. Coolidge. He predicted that in the future the substantial producers in life insurance will be men who know the business and utilize this knowledge to render real service to prospects.

Want Guardianship Changed

Texas Life Underwriters Association Seeks to Get the Scope of the Law Enlarged

The present guardianship law in Texas does not permit the investment in a life insurance contract for an annuity by a guardian for his ward. Neither does the present law permit spending or investing any money to continue a life policy already in force on the life of a ward. The Texas Association of Life Underwriters is seeking changes in this statute. Senator Shivers of Fort Arthur sponsored the bill in the senate and the insurance committee has approved it. Representative Thornton of Galveston is back of the bill in the house. The life men of the state are much interested in the proposal. At the recent state meeting, resolutions were passed in favor of liberalizing the law.

Honor H. D. Cooley

H. D. Cooley, who became general agent of the New England Mutual Life in Portland, Me., was given a farewell banquet and testimonial Saturday night at Boston by officers of the company and his former associates in the Moore & Summers home office general agency, there. R. W. Moore, Jr., presided at the dinner which was attended by some 60 fellow agents and President G. W. Smith, Vice-president G. H. Hunt and Medical Examiner Frost. Mr. Cooley's associates presented him a ship's clock. There was also presented a plaque, containing the names of every member of the Moore & Summers agency, each one of whom without exception had participated in a special drive for new business in the name of Mr. Cooley during the past month, and which resulted in a remarkably large amount of new business being written.

LEGISLATIVE DIGEST

New York—Senator Crawford has introduced a bill prohibiting an insurer from paying a salary of more than \$5,000 except upon authority of the directors. No pension may exceed \$2,400 and any retirement plan adopted must be approved by the department.

Ohio—The senate insurance committee has recommended for passage a bill embodying procedure for the rehabilitation of delinquent insurance companies, including fraternal.

Missouri—Two bills are being sponsored by the Missouri Association of Life Underwriters: One for licensing and qualifying life insurance agents; the other revises the present law relating to the exemption of insurance on the life of a bankrupt.

Oregon—Bill defeated providing 2 1/4 percent tax on annuity premiums.

California—The reconvening legislature will consider the following bills: A bill seeking to remove the interest charge on all policy loans; elimination of non-medical business; elimination of

\$50,000 exemption upon life and accident proceeds.

Arkansas—Bill by Senator Fagan to regulate type and form of policies issued by companies of other states or countries, prohibiting selling in Arkansas a policy not permissible in the home state or county or in Arkansas, is signed by governor.

Colorado—An anti-twisting bill modeled after the New York law has been printed and is accorded a good chance of passage. The bill which would prevent the attachment of disability payments has passed the house.

New Jersey—Assembly has passed a bill prohibiting any one except a lawyer from preparing a deed, lease or other legal paper.

F. L. Rowland, New York City, executive secretary of the Life Office Management Association, has been elected vice-chairman of the National Management Council, an organization of various management associations. The council is the coordinating agency for the international management congress which will, for the first time, hold its triennial meeting in the United States in the fall of 1938. It is expected that 500 representatives of 20 foreign countries interested in the management movement will attend this conference.

The OLD LINE LIFE Insurance Company of America

MILWAUKEE, WISCONSIN

• **Significant Facts** from our December 31, 1936 Financial Statement, as reported to the Insurance Departments of the States in which we operate.

	1936	1935
ADMITTED ASSETS		
Increase: \$ 815,686.09	\$19,482,551.75	\$18,666,865.66
INSURANCE IN FORCE		
Increase: \$2,520,789.00	\$75,183,998.00	\$72,663,209.00
GROSS INCOME		
Increase: \$ 125,640.56	\$ 3,412,240.10	\$ 3,286,599.54

• Diversification of Assets:

25% in Cash and Bonds, the latter having a market value of \$151,034.25 in excess of the book value.

36% in improved City and Farm Mortgages on which the actual cash collection of mortgage interest during 1936 was 4.64%.

2% in Collateral Loans secured by first mortgages.

14% in Loans to Policyholders secured by their policies. The number of requests for policy loans was 18% less than in 1935.

20% in Contracts for Deed and Unencumbered Real Estate. All are improved properties and earned in rentals or interest over 6% gross during the year.

• Extra Margin of Safety:

With Assets of \$19,482,551.75 compared with Policy Reserves of \$17,059,169.99 and Other Liabilities of \$347,876.66, there remains as an extra margin for protection to policyholders: \$2,075,505.10.

The Company has \$1.12 of Assets for each \$1.00 of Reserves and Liabilities.

• Life, Accident and Health Sales:

New paid Life Insurance increased 30%; new Accident and Health Insurance increased 60% over 1935.

Payments to Life, Accident and Health Policyholders and Beneficiaries in 1936 totaled \$1,552,463.92. Payments since organization exceed \$17,500,000.

LIFE • ACCIDENT • HEALTH

EDITORIAL COMMENT

Keener Competition

THE IMPROVEMENT in the selection and training of men that is gradually going on in business generally is one that cannot be overlooked complacently by life companies. More and more are business and industry seeing the wisdom of going to the prominent colleges and universities and selecting "the cream of the crop" before other less alert employers have put in their bids. The careful sifting of each graduating class by personnel experts who know the value to an organization of getting the right man for the right job leaves that much less for other business institutions—including life insurance—to pick from.

With this more intelligent selective

process on the part of big business there is a growing appreciation of the necessity of keeping good men satisfied with their jobs and giving them advancement while they are still young enough to be motivated by it. It seems only logical that this will result in fewer able but dissatisfied men of the higher type leaving other business organizations and joining life agencies as they have in the past. Some means should be found by which the life insurance business can get into its ranks high grade men of sales and executive caliber who will take the place of the older men now in the business when the latter are removed by death or retirement.

Place of Direct Mail

EXPERIENCE of the PENN MUTUAL LIFE, with business resulting from direct mail showing a 50 percent increase during the years when the number of mailings was cut by one-half, is indicative of what can be done with this medium of adding to one's prospect list in a systematic way, and with definite increase in production. The average agent's great trouble is that for each case that he writes, a number of new prospects must be put in at the receiving end of the machinery to result eventually in another sale and enable him to keep up a continuous closing process.

According to the PENN MUTUAL's experience, direct mail is not a substitute

for personal calls and is not even the best procedure where a personal introduction is possible, but it does fill the need for a system of taking a large mass of "suspects" and finding out with the least possible lost motion which are real prospects and which are not worth bothering with.

Lack of people to see is not the agent's problem. His real job is one of selection, sifting out from the millions who might buy the relatively few who can buy and whom he can best deal with. The careful and systematic use of direct mail is a necessary part of getting all the business that an agent's abilities entitle him to.

Statements Misconstrued

SOME life agents have misconstrued statements about the loss of benefits to those who continue working after age 65 to mean that the death benefit to the estate is also decreased. While it is obvious that any man continues to work after age 65 is not adding to the amount

of his final retirement monthly check and besides is reducing the amount he himself would receive under the act, there is no reduction in the death benefit due the estate in these circumstances except as the pension is actually paid out to the wage earner himself.

Importance of Follow-Up Training

MANY life companies have prepared their own training courses for new agents. Records indicate that less than 20 percent of the new agents ever complete such a course. J. C. HIGDON, vice-president in charge of sales for the BUSINESS MEN'S ASSURANCE, has something to say on this point which agrees with the argument long held by educators but apparently often overlooked by home office and agency heads. Says Mr. HIGDON:

"Whether the general agent or manager uses a company course or a training course prepared by outsiders, that course is only a starter. It is supple-

mented by outside reading chosen by the manager and particularly by lectures and conferences by the manager or supervisor.

"In other words, the actual books or booklets in the initial training course give the agent something to read and give the manager something upon which to hang his training for the first 30, 60 or 90 days. But at best, it is only a chassis and every good manager uses his own ingenuity in building the body and providing accessories for the initial training period.

"In my opinion, what the agent reads

and studies and the training he gets after he has finished the average training course is of paramount importance. In the first place, comparatively few agents really master the first training course. In the second place, many of them leave the business within three or six months. But those who are in the agency after six months constitute our potential producers, and yet it is often

assumed that they have finished their 'training period' and are pretty much put on their own."

Mr. HIGDON, we believe, has here pointed to one of the important phases of successful agency management—the proper feeding, so to speak, of the agent after he has outgrown the bottle and is ready for beef steak but still needs special nourishment.

PERSONAL SIDE OF BUSINESS

At the annual meeting of the Newark Y. M. C. A., Dr. W. R. Ward, medical director Mutual Benefit Life, was re-elected vice-president. He has been active in the organization for many years.

C. S. Dow, 36, past president of the Washington C. L. U. chapter and an agent of the Pacific Mutual Life, died at his home in Washington, D. C., following an illness of several months.

John A. Sullivan, vice-president of the Great Northern Life in charge of the life agency department, in March is celebrating 25 years of service with the company. He started March 1, 1912, in the old executive office at Wausau, Wis., as assistant secretary. Later he became vice-president. He is respected in every sense of the word.

One of his early acts on entering the company's service was to close the office at 1 o'clock on Saturdays, which created a furor among the other offices in Wausau because it was setting an embarrassing example. But before long they, too, were closing at 1 o'clock on Saturdays.

William Klocksins, 83, father of Clarence Klocksins, legislative counsel of the Northwestern Mutual Life, died at his home in Milwaukee.

George W. James, 58, chief clerk in the policy loan division Northwestern Mutual Life, died at his home in Milwaukee. His widow survives.

Bert E. Williams of the Southern California agency in Los Angeles of the Northwestern National Life under H. D. Leslie, general agent, has produced an "app-a-week" for 476 weeks. He went to southern California about six months ago from Omaha, where he represented the Northwestern National for many years. His annual volume of paid business has exceeded \$250,000 for several years.

E. J. Phelps, who retired March 1 after 20 years as Mutual Benefit Life general agent in Omaha, will first take a rest, then probably travel extensively in the south and southeast.

H. D. Leslie, general agent for southern California at Los Angeles of the Northwestern National Life, has been elected president of the Big Ten University Club of Southern California. Mr. Leslie was also elected Highcockalorum of the Los Angeles Breakfast Club.

A. B. Wood, president and managing director of the Sun Life of Canada, was guest of honor at a banquet in Toronto. He spoke in appreciation of the work of

J. A. Tory, supervisor western Ontario division, and of his organization. Present were: W. S. Penny, director of agencies; J. A. McAllister, superintendent of agencies; J. E. Bentley, branch office inspector; R. S. Dale, manager London branch; J. F. Smith, manager Hamilton branch, and other officers of the western Ontario division.

Carl LeBuhn, originator of the "Carl LeBuhn Says" advertisements and general agent of the Massachusetts Mutual Life in Davenport, Ia., addressed the Davenport Advertisers Club on "A Life Underwriter's Viewpoint on Advertising."

Karl G. Gumm, assistant superintendent of agents National Life of Vermont, visited D. A. Lamar, northern California general agent, in San Francisco.

Mike O'Sullivan, general agent at Los Angeles for the Benjamin Franklin Life, has returned to his headquarters following the funeral in Nebraska of Mrs. O'Sullivan, who died after a long illness.

Appleton Williams, 70, group insurance specialist with the J. D. E. Jones & Son agency of the Equitable Life of Boston, died in Worcester, Mass. He had been with the Equitable for 26 years.

L. A. Spalding, who retired as agency superintendent of the Manufacturers Life at the end of 1936 on account of ill health, died at his home in Toronto. He joined the Temperance & General Life in 1890, and when it was acquired by the Manufacturers he became agency accountant of the latter. In 1914 he went to South Africa as manager, and later served in the far east. In 1918 he became agency superintendent with special supervision over South Africa and the east.

T. L. Hilliard, 95, founder of the Dominion Life, died at his home in Waterloo, Ont. Born in Ireland, he went to Canada as a child. He entered insurance work of the Dominion Life in 1887. He was managing director for many years and then president, from which position he retired in 1929.

When the life company officials and managers returned to the Muehlbach Hotel at Kansas City, Mo., following their attendance at the funeral of J. B. Reynolds, president of the Kansas City Life, W. T. Grant, president of the Business Men's Assurance, who was a prominent factor in the presidential campaign last fall, discovered former Governor



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A. M. Landon and Mrs. Landon in the hostelry. They are building a new residence at Topeka and were in Kansas City visiting the better homes exhibit. Mr. Grant introduced Mr. and Mrs. Landon to the insurance folk and all sat down to lunch together.

Approximately 175 friends of Col. H. Kenneth Cassidy, Houston, Tex., general agent of the Pacific Mutual Life for several years, gathered for a testimonial dinner in his honor. Mr. Cassidy is being transferred to San Francisco as manager.

R. B. Augustine, city supervisor of the Eldon D. Wilson agency of the Mutual Life of New York at Richmond, Va., is observing his 27th anniversary in the insurance business. He started out with the Richmond agency of the Mutual Life in 1910 as office boy.

W. H. Harrison, vice-president and superintendent of agencies of the Atlantic Life, is back at his desk after being confined to his home for two weeks by an attack of influenza.

Frank L. Barnes, agency vice-president of the Ohio State Life, has, figuratively, been placed "in the doghouse" by President Claris Adams, who refuses to release him until the field force

writes enough insurance in Mr. Barnes' honor to get him out. The "doghouse" campaign has been started in connection with the fifth anniversary of his joining the Ohio State Life and will close March 20.

President H. K. Lindsley of the Farmers & Bankers Life of Wichita, Kan., and Mrs. Lindsley are in Chicago this week en route home from New York City, having returned from a Caribbean cruise.

The Pittsburgh agency of the Ohio State Life at a dinner in honor of Dr. C. E. Schilling, vice-president and medical director, presented him applications totaling \$80,000, which had been obtained in two days.

The Engelhard-Krogman agency of Chicago has celebrated its 15th anniversary, H. H. Engelhard and H. W. Krogman being its heads. The latter has left for a Mediterranean cruise.

Clell Coleman of Harrodsburg, Ky., former state auditor and for a number of years in charge of the insurance department, died at his home following a stroke of paralysis 18 months ago. He was 67 years of age. Mr. Coleman was a Democratic candidate for governor at one time.

home office to head the claim department.

Since that time Mr. Adams has been with various departments, serving as purchasing agent, manager of the contract and license division of the agency department, manager of the general accounting department and advertising manager.

L. W. James Now Head of George Washington Life

Lee Warren James, an attorney of New York, has been elected president of the George Washington Life of Charleston, W. Va. He takes the place left vacant by the death recently of C. L. Preston.

Perry Is Agency Assistant

M. R. Perry has been appointed agency assistant at the home office of the Phoenix Mutual Life. Since he joined the home office staff he has given much time to teaching life insurance selling. He has been a personal producer, field supervisor and supervisor of the sales training division at the home office.

Philadelphia Life Promotions

F. C. Combes, secretary and treasurer of the Philadelphia Life, has been made vice-president. He had been a director for two years. T. C. Knapp has been

The Real Agent

He has a steady eye, a steady nerve, a steady tongue, and steady habits.

He understands men and makes himself understood by men.

He turns up with a smile and still smiles if he is turned down.

He is silent when he has nothing to say, and also when the prospect has something to say.

He keeps his word, his temper and his friends.

He wins respect by being respectable and respectful.

He is courteous in the face of discourtesy.

He has self-confidence, but does not show it.

He is loved by his fellow men.

—Washington National.

chosen assistant secretary. He was elected a member of the board in December.

Lee Cannon's New Title

Lee Cannon, who becomes agency vice-president of the Montana Life, joined the company in 1932 as Pacific Coast manager. In May, 1933, he went to the home office as superintendent of agents.

M. N. Gales, 70, agent of the New York Life in Racine, Wis., for 35 years, died at his home there.

AMONG COMPANY MEN

W. W. Lundgren Is Advanced

Appointed Assistant Director of Agencies of Northwestern Mutual Life to Succeed Thierbach

Warren W. Lundgren, production manager of the Victor M. Stamm agency of the Northwestern Mutual Life in Milwaukee, has been appointed assistant

agency in Milwaukee in August, 1935. He is secretary of the Northwestern Mutual C. L. U. Association and has been active in its Supervisors Association. His field for 1937 will be New England and parts of the middle Atlantic states.

Plimpton Is Chosen Actuary

New England Mutual Man Takes New Position with the Columbian National Life

H. A. Plimpton has been appointed actuary of the Columbian National Life. He goes from the New England Mutual Life to take the place of John Y. Ruddock, who recently resigned to become vice-president and actuary of The Pan-American Life of New Orleans.

Mr. Plimpton is a native of New England, having been born and reared in Massachusetts. He was educated at Harvard, graduating with the class of 1925.

Shortly after graduation he entered the actuarial department of the New England Mutual and while there qualified for associate membership in the Actuarial Society of America.

New York Life Appoints Wickett as Vice-President

F. A. Wickett, superintendent of agencies of the New York Life at San Francisco with supervision over all Pacific Coast territory, has been elected a vice-president. His duties will be in the agency department.

He has been connected with the company for 35 years, mostly on the Pacific Coast. For many years he was inspector of agencies there and a number of years ago was advanced to superintendent. No successor in that capacity on the Pacific Coast has been announced.

James Adams Assistant Secretary

James R. Adams has been elected assistant secretary of the Liberty National Life. He is a graduate of Emory University, where he also spent a year in the Lamar School of Law. His first connection with the company in 1929 was as salesman in Atlanta and in south Georgia. In 1930 he was called to the



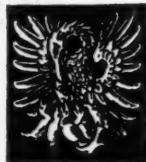
WARREN W. LUNDGREN

director of agencies, effective April 1. His appointment follows the recent resignation of R. R. Thierbach to become general agent in Cleveland.

Mr. Lundgren was born in 1903, in Burlington, Ia. attended Iowa Wesleyan, Northwestern University and graduated from the University of Missouri in 1926. For four years, while attending these schools, he wrote life insurance during the summer months under a part-time contract.

After a brief newspaper experience in Texas, he became a full-time life man in 1927 under his father, who has been district agent in Burlington for many years. He served as supervisor in the H. L. Williams agency, Davenport, Ia., and the W. F. McCaughey agency, Racine, Wis., and became production manager of the Stamm home office general

★ MODERN LIFE INSURANCE SINCE 1845 ★



STATISTIC

A figure sleuth has discovered that the average length of service of Mutual Benefit men (excluding new men) who attended the 1936 Agents' Convention was something over thirteen years. An analysis of the "composite man" of this group shows that he began his service shortly after the post war depression, made "good money" during the boom, had to scratch like the dickens for his commissions during the Great Depression, and, still working hard, is getting better results for his efforts in 1936. His thirteen-year service record is at once a tribute to his ability and industry and to the Company with which he is associated.

The
MUTUAL BENEFIT

LIFE INSURANCE COMPANY • NEWARK • N • J •

Social Security a Windfall

People today seem to be especially susceptible to the idea of early retirement from labor, due to publicity given social security. R. G. Richards, agency secretary Atlantic Life, stated in a talk on advertising with reference to social security at the eastern round table of the Life Advertisers Association held in New York City. Through life insurance they can accomplish this at small cost. It is therefore up to those in the business to tell their story dramatically and convincingly.

The first responsibility of life insurance people, he said, if they are to use the federal social security law as a lever to increase sales and as a basis of advertising to the public, is to understand the act thoroughly in its relationship to life insurance. It must be interpreted properly to salesmen and to the people. The outcome depends upon how well the opportunity is capitalized.

The next step is to interpret the law and build sales upon it.

Additional Benefits Attractive

"In the attitude of a friendly cooperator with the plans of the government for adding to the measure of an individual's old age security, we will have learned from our study of the law and its interpretation that its sole purpose is to provide minimum old age incomes paid on a monthly instalment plan," Mr. Richards said. "By the same study, our representatives and we, ourselves, will have learned that life insurance offers many additional features. Next is the coverage of the government plan. The federal legislation includes only about half of the gainful workers of the nation, according to the census of 1930, around 26,000,000 people. It does not cover the business and professional men and women of the nation; and many millions of workers are expressly excluded. No provision is made for those not in employment, such as housewives and juveniles.

Excluded Groups Are Listed

"For a picture of the included and excluded groups, for the purpose of 'prospecting,' it is suggested that we read the material on this subject appearing in the 'Insurance Salesman' for January, 1937.

"This study is important, for it has an effect upon our merchandising and advertising. In other words, there are people who come under the government plan for old age retirement, to whom we may want to tell one story; and there are more who are excluded from the plan, to whom our message may be different."

He said that to every one, whether he comes under the federal plan or not, it can be pointed out that there is imperative necessity to own life insurance for protection of dependents, payment of mortgage, education of children, etc.—social security for the family, a field in which the government does not participate. To those covered by the law, it can be pointed out that it is desirable to supplement their prospective government benefit by income from life insurance.

Should Stress Small Units

It is desirable to be prepared to emphasize the availability of small units of retirement income; that life companies will sell annuities as little as \$10 a month which can be purchased by low premium payments over a term of years. Comparatively few people realize this fact; many think of annuities as purchasable only by a sizeable lump sum deposit made at retirement age.

It also can be urged that men and women arrange to stop working at age 60, or earlier, receiving then from life insurance an income for five years approximating the federal income they can look forward to at age 65. It can be shown, Mr. Richards said, that the federal benefit at age 65 is increased by only around a dollar a week through an

individual continuing to work for the five years from 60 to 65; five years of toil for an increase in federal benefit of only about \$5 a month.

To persons not covered by the act, he said, the desirability of having life insurance both for protection and retirement can be stressed. They can be shown what those who come under the law may expect to receive in federal benefit at age 65, and urged to assure themselves of at least that much under a private plan which assures income and combines emergency values, broad optional settlements, and disability clause, under an absolute guarantee.

Cummings on Agency Trip

Harold J. Cummings, vice-president and superintendent of agencies of the Minnesota Mutual, is on one of a series of agency trips. He stopped at Columbus, Ohio, to address the Central Ohio Underwriters Association, going from there by way of Louisville, St. Louis and Kansas City to Texas, where he will spend two or three weeks reviewing matters with general agents. Mr. Cummings expects to be back home from this one trip about March 20.

Thirty-five Years with Central Life of Iowa



A. C. LARSON

A. C. Larson, Madison, Wis., manager for southern Wisconsin of the Central Life of Iowa, has rounded out 35 years of continuous service with the company. He began his insurance career as an agent with the company while a student in college. His first contract was dated Feb. 27, 1902. Mr. Larson, a key man in the Central Life organization, is well known.

In addition to having organized and developed the largest agency, Mr. Larson has always been a good personal producer. It has been largely through his efforts that Wisconsin has more insurance in force than any other state in which the company operates. Mr. Larson has started many men in the business who have been successful, several of whom have achieved national prominence. He was awarded a director's medal by his company for outstanding accomplishments. He served two terms as secretary of the National Association of Life Underwriters.

Mr. Larson was one of the pioneers in community welfare work in Wisconsin, having personally headed one of the Madison campaigns, is a director of the Commercial State Bank of Madison, and a past imperial potentate as well as being one of the organizers of Zor Shrine Temple of Madison.

NEWS OF LIFE ASSOCIATIONS

Sales Congress at Columbus

Importance of Insurance in Economic Life and More Thorough Working Methods Stressed

COLUMBUS, O., March 4.—"Life insurance is the greatest practical philanthropy of modern times—it is the American plan of social security," Lester O. Schriver, Peoria, Ill., general agent of the Aetna Life and former president of the National Association of Life Underwriters, told the Columbus Life Underwriters Association at its annual sales congress. "Legal reserve life insurance has weathered 19 major depressions and stands out among the human institutions of modern times, unshaken by all the vicissitudes of our economic life," declared Mr. Schriver.

"During the depression life insurance poured into the economic blood stream of the country more than six million dollars a day. Dare you think what might have been the depth of our despair and despondency during the late depression, had it not been for the blood transfusion that was taking place every day while the body politic, the body social and the economic body were nigh unto death?"

Security Problem Is Personal

A. H. Kollenberg, Mutual Benefit Life, Grand Rapids, Mich., spoke on "Social Security Through Life Insurance." Every depression has created panaceas for economic ills, "but the problem of providing for ourselves and our families, both now and later, persistently remains," said Mr. Kollenberg. "Today the public is security minded, but it wants security on which it can depend. The institution of life insurance offers such a service. Life insurance is a security act forged by nearly a century of experience. It is an impregnable fortress against want and poverty to all who would avail themselves of its protection."

Work Is Solution

Harold J. Cummings, vice-president of the Minnesota Mutual Life, said the men who fail in life insurance are really sit-down strikers. Life insurance is a fine business but it has a sorry sales situation. If a life agent is to succeed he must have a definite list of persons upon whom he has never called before and a real story to tell them. He must decide just how much money he must have to live on and then he must see enough persons each day to bring about this return. This formula works but the trouble is that the agents will not follow it. Life agents should get down to real work and accomplish the things of which they are capable.

L. D. Fowler, Cincinnati, general agent of the Connecticut Mutual Life, said timing is one of the essentials of success in life insurance and the agent should be a relentless taskmaster for himself. A proper personal appearance is an element in success. Mental attitude is important—the agent who doesn't believe sufficiently in his business to take out the necessary amount of insurance on himself cannot sell to others, he said.

Paul Speicher, editor of the R & R Service, reviewed the status of life insurance.

E. C. Deckard, president of the Columbus association, presided at the morning session, R. C. Gauch, vice-president and chairman of the program committee at the luncheon, and J. B. Davis, treasurer, at the afternoon session.

Nashville—W. F. Winterble, superintendent of agencies, Bankers Life of Iowa was guest speaker. The meeting was attended by 200 members. Mr. Winterble gave much information and material that the field man can use.

Million Dollar Men Qualified

Round Table Producers Are Already Being Listed for the Big Denver Convention

Upon his return from a speaking tour of the southern and Pacific states, Grant Taggart, chairman of the Million Dollar Round Table of the National Association of Life Underwriters, announced that 11 million dollar producers have already qualified for the 1937 meeting to be held in Denver next August. Those who have already qualified are: Harry T. Wright, Equitable, Chicago; M. D. Vail, Vail & Sons, Chicago; Paul H. Dunnavan, Canada Life, Minneapolis; A. L. Lanphear, Equitable, Chicago; J. W. Shoul, Mutual of New York, Boston; B. H. Wulfkoetter, Massachusetts Mutual, Cincinnati; A. J. Ostheimer, 3rd, Philadelphia; H. G. Mosler, Massachusetts Mutual, Los Angeles; Jack Lauer, Penn Mutual, Cincinnati; Stanley E. Martin, John Hancock, Columbus, O., and Grant Taggart, California Western States, Cowley, Wyo.

In order to qualify for the 1937 Million Dollar Round Table a producer must first be a member in good standing in a local life underwriters' association affiliated with the National association. He must also personally pay for and receive commissions on at least \$1,000,000 of regular life insurance (excluding any brokerage business placed in his name by agents of another company, but including any business placed by him in other companies and for which he has received full commissions, and including any life insurance credit allowed by his company for immediate and deferred, single premium and annual premium annuities, single premium life, endowment policies, retirement annuities, etc.) on any of the following three basis:

1. Calendar year ending Dec. 31, 1936.
2. Company club year or fiscal year ending any time after Sept. 1, 1936, and prior to Aug. 1, 1937.
3. Any consecutive twelve months period ending after Sept. 1, 1936, and prior to Aug. 1, 1937.

Those who already have the necessary paid production to qualify for membership in this distinguished group are invited to notify Mr. Taggart at Cowley, Wyoming, in order that the necessary qualification questionnaire may be completed.

Plans for Boston Congress Are Now Being Completed

BOSTON, March 4.—Announcement is made of the annual New England sales congress, sponsored by the Boston Life Underwriters Association, March 19, at Hotel Statler, Boston.

G. P. Smith, Boston general agent New York Life, is general chairman, assisted by President Manuel Camps and John Hughes, executive secretary of the association.

John Marshall Holcombe, Jr., manager Life Insurance Sales Research Bureau, will speak at the luncheon for general agents, managers and agents. Prominent state officials of Massachusetts including Governor Hurley are expected on the speakers' list. The congress will last all day.

Well in excess of 1,000 general agents, managers and leading producers of companies and agencies all over New England, particularly from Worcester, Springfield, Providence, R. I., Hartford, Maine and New Hampshire, together with a full complement from the Boston Life Underwriters Association, are expected at the congress.

The committee having the congress in charge includes G. P. Smith, chairman; Manuel Camps, Jr., Penn Mutual

Life, vice-president Boston Life Underwriters Association; W. N. Watson, Connecticut Mutual; P. O. Sanborn, Connecticut Mutual; J. M. Woodhouse, Union Central Life; O. D. Murphy, John Hancock Mutual; Clyde Gay, Aetna Life and C. C. Gilman, National Life of Vermont.

L. S. Broadus Speaks at Meeting in Davenport, Ia.

DAVENPORT, IA., March 4.—L. S. Broadus, manager the Guardian Life in Chicago, addressed 90 members of the Davenport association at their dinner meeting. He urged each underwriter to consider the financial well-being of his prospect, and said the average man considers first his living expenses, then his future and then his family's stability in case of his death.

Mr. Broadus was introduced by J. J. Hilbee, manager the Davenport agency of the Guardian Life. K. E. Madden, general chairman of the annual sales congress, announced at least 300 would attend.

M. E. Van Epps, membership chairman, presented general agents who had 100 percent representation with scrolls. Receiving awards were: Henry Meese, Travelers; Clifford Connor, Provident Mutual; L. B. Morrissey, Phoenix Mutual; K. E. Madden, Penn Mutual; Henry Mohl, Acacia Mutual; H. C. Hall, Equitable of Iowa; A. J. Loyett, Guaranty Life; G. W. Robb, Home Life of New York; C. LeBuhn, Massachusetts Mutual; R. O. Schmidt, Minnesota Mutual; L. B. Gettys, Mutual Life of New York; C. A. Kuttler, National Life of Vermont, and J. H. Copeland, Northwestern Mutual.

Must See Average American, Says Gantz at Philadelphia

PHILADELPHIA, March 4.—More than 800 attended the annual midwinter sales conference of the Philadelphia Association of Life Underwriters. Joseph M. Gantz, Cincinnati general agent of the Pacific Mutual Life, declared that the average man is the backbone of life insurance in the United States. Mr. Gantz asserted that the social security act made its appearance because life insurance men and life insurance companies had failed, as a private institution, to provide the necessary protection for the public. He declared that if the life insurance agents would go out and see the average American, the life insurance business would have no need to fear as to what the government would do next. The other speakers were Louis Behr, Chicago, leading producer of the Equitable of New York, and Hubert Greaves, Yale University professor of public speaking. Mr. Behr, who last year wrote 118 cases and paid for \$2,250,000, so far this year has written 35 cases and paid for \$950,000. He discussed prospecting and selling.

Honor Indiana Commissioner

D. W. Flickinger, president Indianapolis Association of Life Underwriters, was host at an informal reception in honor of G. H. Newbauer, new Indiana commissioner, and J. D. Cramer, deputy commissioner. Mr. Newbauer said it is his purpose to cooperate with insurance interests in favor of sound underwriting practices in Indiana. E. A. Crane, trustee of the National Association of Life Underwriters, outlined the program for the trustees and national council meeting in Indianapolis in April.

H. E. Nyhart, state chairman, and J. P. Meek, local chairman, announced a state-wide essay contest for high school pupils. Various committee chairmen reported for their committees.

Missouri Meet in May

ST. LOUIS, March 4.—The 1937 annual meeting of the Missouri State Association of Life Underwriters will be held

here some time between May 10 and 20 according to President S. T. Utz of St. Joseph. The executive committee had a conference here.

Central Massachusetts—Vice-president J. C. Behan of the Massachusetts Mutual Life, speaker at a luncheon in Worcester, told of the opportunities ahead for men and women in the business.

Minneapolis—"Building a Life Insurance Business" was the topic of Roy A. Lathrop, state agent State Mutual Life, at the "school" conducted by the Minneapolis association.

San Francisco—N. J. Nelson, manager Reliance Life in northern California, has the first agency in San Francisco to qualify in 1937 with 100 percent membership in the San Francisco association.

Lafayette, Ind.—At a luncheon in his honor Commissioner Newbauer promised cooperation of the insurance department to maintain insurance on a sound basis in Indiana. J. D. Cramer, deputy insurance commissioner, discussed the insurance laws of the state as applied to life insurance.

Portland, Ore.—R. M. Alton, trust officer, United States National Bank, talked on trust facts: Ralph Thom, assistant manager Bank of California, "Life Insurance from a Banker's Standpoint" and C. B. Stephenson, First National Bank, on "Reactions to Life Insurance Salesmen."

Chicago—Membership increase of 26 percent since last fall was announced by Miss Joy Luidens, executive secretary, the roster standing at an all time high of 1,350. L. M. Buckley, Provident Mutual, is the membership chairman. The association and the Chicago chapter of C. L. U. will meet March 22 in celebration of the 10th anniversary of the C. L. U. movement.

St. Petersburg, Fla.—President S. B. Bredmore announced the appointment of the following committee chairmen: Meetings and programs, J. H. Benes; business standards and conservation, C. W. Strong; by-laws and legislation, J. N. Robbins; education and publicity, Harry C. Brahm; finance, G. M. Hastings; membership, George D. Morrison; vigilance, W. L. Durant; Life Insurance Week, M. A. Spooner.

Jacksonville, Fla.—Vice-president F. L. Jones of the Equitable of New York addressed the February meeting.

Rochester, N. Y.—J. Harry Wood, manager of general agencies of the John Hancock Mutual Life, spoke on "Making More Money in 1937."

Madison, Wis.—The advantages of co-operation between trust company officials and life agents were discussed at a meeting attended by 80 members and guests representing banks and trust companies. Speakers on "The Trust Officer and the Life Underwriter" were Clarence Karn of the Central Wisconsin Trust Co., and Frank Horner, associate general agent for the Northwestern Mutual Life.

Appleton, Wis.—Members have voted to become affiliated with the state association. J. Bon Davis, district agent for the Lincoln National Life, spoke. He told of his recent trip to Mexico. At the next meeting Morrow Herner, Northwestern Mutual Life, will be guest speaker.

Curry Connecticut Deputy

Attorney Thomas B. Curry of Hartford has been appointed deputy insurance commissioner of Connecticut. This is a new position. Mr. Curry has been connected with the department since August as chief clerk. He was admitted to the bar in 1915 following graduation from Notre Dame.

Testimonial for Hunt

Commissioner Hunt of Pennsylvania was honored at a testimonial dinner in Harrisburg attended by about 200. E. E. Heine of Philadelphia was toastmaster. Among the speakers were John A. Stevenson, executive vice-president Penn Mutual Life; J. B. Kelly, secretary of revenue, and Adrian Bonelli, deputy attorney-general.



30th ANNUAL STATEMENT

PEOPLES LIFE INSURANCE COMPANY

Frankfort, Indiana

ASSETS

First Mortgage Loans on Real Estate	\$ 4,274,893.00
Real Estate, including Home Office Building	783,134.00
Real Estate Sold Under Contract	269,216.00
Loans on Company's Policies	1,832,728.00
Bonds—Government, Municipal and Public Utility	705,141.00
Preferred Stocks	73,882.00
Cash in Banks	291,658.00
Interest, due and accrued	134,179.00
Net Outstanding Premiums	222,171.00
All Other Assets	23,190.00
Total Admitted Assets	\$ 8,610,102.00

LIABILITIES

Reserves on Policies	\$ 7,206,163.00
Reserve for Losses, No Proofs Received	34,384.00
Premiums and Interest, Paid in Advance	72,546.00
Reserve for Taxes	35,829.00
Reserve for Trust Funds	168,117.00
Reserve for Coupons and Dividends	183,406.00
Contingency Reserve for Losses	179,319.00
All Other Liabilities	30,339.00
Total Liabilities	\$ 7,910,102.00
Capital Stock	300,000.00
Surplus Unassigned	400,000.00
Total	\$ 8,610,102.00

GAINS MADE DURING 1936

Gain in Insurance in Force	\$ 2,822,621.00
Gain in Admitted Assets	452,236.00
Gain in Reserves	415,630.00
Gain in Liquid Assets	155,893.00

PEOPLES LIFE INSURANCE CO.

"The Friendly Company"

FRANKFORT

INDIANA

1937

Golden Jubilee Year

1937

PROVIDENT begins the 50th Anniversary Year with these noteworthy gains registered for 1936:

- 25 per cent gain in Life Insurance in Force—\$19,405,854.00.
- 18 percent gain in premium income—\$1,005,127.33.
- 16 percent gain in total assets—\$1,145,455.72.
- 13 percent gain in total surplus to protect policyholders—\$274,819.18.

PROVIDENT LIFE and ACCIDENT
INSURANCE COMPANY
CHATTANOOGA, TENNESSEE

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Sun Life Dividends Increased

Total Distribution This Year to Be About 10 Percent Greater, Due to Improved Conditions

Increase of approximately 10 percent in dividend distribution for this year effective April 1 has been made by the Sun Life of Canada. The announcement was made by President A. B. Wood in his annual report. This action was the result of successful operations in 1936, combined with improvement in the general business outlook.

The basic factors used in calculating dividends have been completely revised, so that dividends on individual policies are not uniformly affected. Greatest increases are shown on plans in which mortality element is most prominent and the least on those plans in which the investment element predominates. The special fifth-year dividend has been increased for all longer term plans.

Scale on Disability Policies

A special dividend scale will continue to apply to all policies containing the income disability benefit but deductions from the regular scale will be approximately two-thirds of those in the previous year.

A completely revised scale of dividends for single premium policies has been introduced. The new scale will show a reduction in dividends for plans of shorter durations.

On dividends and proceeds of policies left on deposit excess interest will be allotted at the same rate as in 1936. The total interest rate, including guaranteed and excess interest, will be 3 3/4 percent.

Ordinary Life

Age	2	5	10	15	20	Total
20	3.63	5.90	4.49	5.52	5.82	\$90.34
21	3.65	5.94	4.53	5.18	5.91	91.32
22	3.74	6.09	4.65	5.32	6.07	93.76
23	3.84	6.27	4.79	5.49	6.26	95.55
24	3.89	6.36	4.87	5.59	6.38	98.21
25	3.95	6.47	4.97	5.71	6.52	100.12
26	4.03	6.60	5.08	5.84	6.68	102.42
27	4.09	6.71	5.18	5.96	6.82	104.37
28	4.17	6.86	5.29	6.10	6.99	106.74
29	4.22	6.95	5.38	6.22	7.12	108.53
30	4.29	7.08	5.49	6.35	7.28	110.77
31	4.33	7.16	5.58	6.46	7.41	112.45
32	4.38	7.26	5.67	6.58	7.55	114.34
33	4.44	7.38	5.77	6.71	7.71	116.46
34	4.51	7.50	5.89	6.85	7.87	118.79
35	4.56	7.59	5.98	6.97	8.01	120.57
36	4.61	7.71	6.08	7.09	8.16	122.60
37	4.66	7.82	6.18	7.22	8.31	124.63
38	4.72	7.92	6.28	7.35	8.47	126.70
39	4.78	8.04	6.40	7.50	8.63	128.99
40	4.85	8.18	6.51	7.64	8.80	131.32
41	4.94	8.34	6.66	7.82	8.99	134.25
42	5.00	8.46	6.77	7.95	9.15	136.41
43	5.10	8.64	6.93	8.13	9.35	139.44
44	5.18	8.81	7.07	8.31	9.54	142.44
45	5.31	9.03	7.25	8.52	9.78	145.87
46	5.41	9.21	7.41	8.70	9.98	148.95
47	5.54	9.45	7.60	8.92	10.21	152.64
48	5.64	9.63	7.76	9.11	10.41	155.77
49	5.79	9.90	7.97	9.34	10.67	159.87
50	5.90	10.10	8.14	9.54	10.88	163.24
51	6.05	10.35	8.35	9.77	11.13	167.20
52	6.16	10.56	8.52	9.97	11.34	170.59
53	6.25	10.73	8.67	10.15	11.52	173.43
54	6.32	10.89	8.81	10.31	11.69	176.08
55	6.38	11.01	8.93	10.45	11.85	178.36
56	6.40	11.10	9.02	10.56	11.97	180.07
57	6.39	11.12	9.07	10.64	12.05	180.98
58	6.38	11.15	9.13	10.71	12.12	181.95
59	6.30	11.07	9.11	10.71	12.13	181.50
60	6.22	10.98	9.09	10.71	12.13	180.94
61	6.64	11.66	9.57	11.21	12.63	190.30
62	7.02	12.27	10.02	11.67	13.09	198.86
63	7.55	13.11	10.61	12.27	13.69	210.19
64	8.11	14.00	11.22	12.90	14.32	222.10
65	8.76	15.00	11.93	13.52	15.03	235.71
66	9.15	15.63	12.38	14.08	15.48	244.30
67	9.61	16.37	12.90	14.60	16.00	254.24
68	10.16	17.24	13.51	15.22	16.61	265.94
69	10.89	18.38	14.29	16.01	17.38	280.94
70	11.75	19.70	15.20	16.92	18.28	298.45

Accident Business Is Good — For sales pointers read *The Accident & Health Review*. Sample copy 10 cents. Address A-1946 Insurance Exchange, Chicago.



He's a REAL DAD, this fellow. His pride in the new baby knows no bounds. He foresees a hefty "right" in every spasmodic wave of that pudgy little arm. He's ready to nominate him for a future "All-America" at every tick of a tiny plump leg. Yes, he's a doting dad all right, today. But how about tomorrow?

For his job as a father shouldn't stop with bursting pride and needs of the moment. He owes this tiny bit of humanity his care and support through the next 20 years, at least. Wouldn't you like to know how he became a complete father by making sure that his family never will have less than \$100 every month for the next 20 years...how, in effect, he made this Company a financial-foster-father to his son...how he made sure of a Retirement Income for himself, all with the same dollars, Double Duty Dollars? We'd like to send this free plan to you, with no obligation. Just mail coupon.

BANKERS LIFE COMPANY
A MUTUAL LEGAL RESERVE LIFE INSURANCE COMPANY.
ESTABLISHED 1879.
DES MOINES

FREE — "SPARE KEY" PLAN FOR FATHERS

BANKERS LIFE COMPANY, Des Moines, Iowa
Please send me your Story of a Complete Father.

Name _____
Address _____
City _____ State _____

This advertisement appeared in half-page space in the Saturday Evening Post of January 30th and Collier's of February 20th.

20 Payment Life

Age	2	5	10	15	20	Total
20	3.56	6.30	5.39	6.80	8.46	112.08
21	3.70	6.53	5.57	7.01	8.69	115.65
22	3.82	6.72	5.73	7.19	8.91	118.78
23	3.91	6.87	5.85	7.34	9.09	121.38
24	4.03	7.07	6.01	7.53	9.31	124.58
25	4.11	7.22	6.13	7.67	9.49	127.02
26	4.18	7.34	6.24	7.81	9.66	129.27
27	4.26	7.49	6.36	7.96	9.84	131.76
28	4.32	7.59	6.46	8.09	10.01	133.85
29	4.40	7.74	6.58	8.24	10.19	136.36
30	4.42	7.79	6.64	8.34	10.32	137.73
31	4.50	7.94	6.77	8.49	10.50	140.26
32	4.56	8.04	6.87	8.62	10.67	142.39
33	4.60	8.13	6.96	8.74	10.82	144.20
34	4.70	8.31	7.10	8.91	11.03	147.14
35	4.75	8.40	7.19	9.03	11.19	148.99
36	4.85	8.58	7.34	9.21	11.40	151.99
37	4.89	8.67	7.42	9.32	11.55	153.79
38	4.98	8.84	7.56	9.49	11.76	156.62
39	5.05	8.94	7.67	9.63	11.93	158.82
40	5.13	9.11	7.80	9.79	12.12	161.45
41	5.23	9.29	7.95	9.96	12.34	164.45
42	5.34	9.47	8.09	10.14	12.55	167.48
43	5.45	9.66	8.25	10.32	12.77	170.65
44	5.52	9.80	8.37	10.47	12.95	173.05
45	5.64	9.99	8.53	10.65	13.17	176.24
46	5.75	10.19	8.69	10.83	13.39	179.39
47	5.90	10.44	8.87	11.05	13.64	183.17
48	5.98	10.59	9.00	11.19	13.83	185.72
49	6.14	10.85	9.20	11.41	14.09	189.67
50	6.21	10.97	9.30	11.54	14.27	191.80
51	6.31	11.16	9.45	11.70	14.45	194.68
52	6.41	11.33	9.58	11.85	14.64	197.36
53	6.43	11.37	9.64	11.92	14.75	198.46
54	6.45	11.43	9.69	11.99	14.85	199.55
55	6.46	11.46	9.73	12.04	14.94	200.40
56	6.39	11.39	9.69	12.01	14.96	199.69
57	6.30	11.28	9.63	11.96	14.94	198.55
58	6.20	11.15	9.56	11.89	14.92	197.18
59	6.05	10.95	9.44	11.77	14.84	194.74
60	5.91	10.76	9.32	11.65	14.76	192.45
61	6.30	11.37	9.74	12.06	15.21	200.54
62	6.76	12.08	10.22	12.53	15.72	209.83
63	7.31	12.93	10.79	13.09	16.32	220.86
64	7.90	13.83	11.40	13.68	16.96	232.64
65	8.64	14.97	12.16	14.43	17.74	247.32

20 Year Endowment

Age	2	5	10	15	20	Total
20	3.42	7.11	7.27	10.29	13.91	157.00
21	3.49	7.22	7.34	10.36	13.98	158.36
22	3.60	7.38	7.45	10.46	14.09	160.49
23	3.69	7.52	7.54	10.55	14.18	162.24
24	3.77	7.64	7.62	10.63	14.26	163.79
25	3.84	7.73	7.68	10.69	14.32	164.97
26	3.89	7.80	7.73	10.74	14.37	165.94
27	3.97	7.92	7.81	10.82	14.45	167.50
28	4.03	8.03	7.87	10.87	14.51	168.65
29	4.07	8.09	7.91	10.91	14.55	169.41
30	4.10	8.13	7.94	10.94	14.58	169.97
31	4.16	8.22	7.99	11.00	14.64	171.14
32	4.19	8.27	8.02	11.02	14.67	171.71
33	4.26	8.37	8.09	11.09	14.74	173.07
34	4.26	8.37	8.09	11.09	14.74	173.04
35	4.34	8.48	8.16	11.15	14.81	174.38
36	4.38	8.55	8.20	11.19	14.85	175.17
37	4.41	8.60	8.23	11.21	14.88	175.71
38	4.46	8.67	8.28	11.26	14.93	176.69
39	4.53	8.78	8.35	11.32	15.00	177.99
40	4.58	8.85	8.39	11.36	15.04	178.78
41	4.69	9.02	8.50	11.46	15.15	180.92
42	4.77	9.14	8.58	11.53	15.23	182.42
43	4.87	9.29	8.67	11.62	15.32	184.16
44	4.97	9.44	8.77	11.71	15.42	186.08
45	5.08	9.60	8.87	11.81	15.53	188.18
46	5.24	9.84	9.02	11.95	15.68	191.09
47	5.38	10.05	9.16	12.08	15.82	193.76
48	5.51	10.25	9.28	12.19	15.94	196.08
49	5.69	10.52	9.45	12.35	16.11	199.37
50	5.78	10.65	9.54	12.43	16.20	201.08
51	5.90	10.83	9.65	12.52	16.31	203.17
52	6.00	10.98	9.74	12.60	16.40	204.92

A NEW YORK STATE Mutual Life Insurance Company, with a half century of success behind it, has General Agents' contracts to offer good personal producers in several medium sized cities in New York, Pennsylvania and Ohio.

Address F-30.....National Underwriter

Dividends End of Year

Age	2	5	10	15	20	Total
53	6.09	11.12	9.82	12.66	16.48	206.45
54	6.12	11.16	9.85	12.67	16.50	206.80
55	6.12	11.18	9.84	12.64	16.49	206.61
56	6.06	11.09	9.77	12.55	16.42	205.23
57	6.00	11.09	9.71	12.47	16.35	203.85
58	5.87	10.80	9.56	12.30	16.20	200.92
59	5.71	10.58	9.40	12.11	16.03	197.64
60	5.55	10.34	9.23	11.91	15.85	194.17

Endowment at 65

Age	2	5	10	15	20	Total
20	3.45	5.78	4.61	5.48	6.47	93.92
21	3.54	5.94	4.74	5.55	6.63	96.78
22	3.65	6.12	4.90	5.84	6.91	99.89
23	3.72	6.26	5.02	6.00	7.12	102.50
24	3.79	6.39	5.15	6.16	7.33	105.12

provision may be issued in connection with regular 10-year term policies and may be converted within seven years without medical examination. The extra premium for the disability provision will be the same as that charged on a five-year term policy at the same age. Thus a schedule of extra premiums for this revision will not be needed.

5. The whole program is made retroactive to the disability premium waiver provisions on outstanding five-year term policies, double ten, and family income agreements. In other words, after the present three-year conversion period has expired on outstanding five-year term policies with the premium waiver provision, conversion may still be made during the remaining two years without examination, provided the new policy is on a plan calling for 20 or more years' premiums. On outstanding family income and double ten agreements, the disability premium waiver provision may be similarly converted within seven years of issue. This facilitates the conversion of outstanding term insurance.

6. The accidental death benefit provision is now issued on five-year term and family income plans convertible without medical examination within three and seven years respectively. As in the case of the disability premium waiver provision, this period will be extended to five years on new five-year term policies. This liberalization will

also be made retroactive to all outstanding five-year term policies with the accidental death benefit provision.

Continental American Has New Twenty-year Form

The Continental American Life has announced a new 20-year term policy with reduced premiums for the first five years. The policy is convertible to any of the company's other policies except term any time within 15 years. It may also be converted as of original age. Double indemnity provisions contained in the term policy may be included if converted before age 55. The same age provision applies to waiver of premiums but the conversion with waiver is limited to endowment at 85, although exceptions may be made on satisfactory evidence of insurability on conversion.

A feature of the new policy is its conversion value, allowable upon conversion as of attained age and date from the sixth to the 15th year. Dividends are payable beginning at the end of the third year and are not contingent on renewal for the fourth year, although they may not be applied to buy paid-up additions but may be paid in cash, left to accumulate at interest, or applied toward payment of premiums or to purchase term additions.

LIFE AGENCY CHANGES

Goes with Minnesota Mutual

Jay G. Sigmund, Former Vice-President
Cedar Rapids Life, Takes Cedar
Rapids General Agency

Jay G. Sigmund, who has been vice-president and agency director of the Cedar Rapids Life, which was merged with the United Benefit Life of Omaha,



JAY G. SIGMUND

has been appointed general agent at Cedar Rapids, Ia., for the Minnesota Mutual Life with office at 403 American Trust building. Mr. Sigmund went with the Cedar Rapids Life in December, 1908, serving as a general agent until 1920 when he became vice-president. He started as a personal producer. He served as president of the Cedar Rapids Life Underwriters Association. He got up the course in salesmanship used by the Cedar Rapids Life. In addition to his life insurance work, Mr. Sigmund is a writer and is a well known central western poet. He has had published a number of books of poems and some short stories. He is one of the leading members of the Midland Authors, Cedar Rapids Art Association and the Cedar Rapids Drama League.

Get Wichita, Kan., Agency

Arch Booth and Morris McCready Be-
come Partners in Massachusetts
Mutual Office

A. N. Booth and M. D. McCready have been appointed general agents in Wichita, Kan., for the Massachusetts Mutual Life. They succeed A. D. Lynn, who goes to the home office as assistant director of agencies.

Mr. Booth comes into the life insurance business from his work as assistant secretary of the Wichita chamber of commerce, with which organization he has been associated for the past eight years. Prior to this time he was with the insurance department of the Wheeler, Kelly, Hagny Trust Co. of Wichita. He is a native of Sedgwick County, Kan., and a graduate of the University of Wichita. At the university he was president of the student council and editor of the university publications.

Mr. McCready was born and educated in Wichita. While attending Friends University he was active in extra-curricular activities and athletics. After leaving college he was for four years an insurance inspector for the Retail Credit Company. In 1932 he was appointed an agent of the Massachusetts Mutual, and for the past 18 months has been assistant to General Agent Lynn.

Wilson Shifted to St. Paul

A. M. Nelson, who has been manager of the St. Paul office of the Travelers the past four years, has been named Minneapolis manager to succeed A. R. Hustad, resigned. Mr. Nelson will continue to have supervisory charge of the St. Paul office.

Canada Life Appointments

Two appointments announced by the Canada Life concern John H. Norton who becomes manager at Winnipeg and H. H. Henderson who receives the managership of the Victoria branch.

Mr. Norton first became associated with the Canada Life through the Los Angeles branch. In his first year he won a membership in the Century Club and followed this by qualifying for the Quarter Million Club. In 1935 he moved to Victoria as manager with the opening of a new branch there.

It was in June, 1927, that Mr. Hen-

BERKSHIRE LIFE INSURANCE COMPANY

Incorporated 1851

PITTSFIELD, MASSACHUSETTS

REPORT FOR 1936

ASSETS		LIABILITIES	
Cash	\$ 1,991,211	Policy Reserves ...	\$53,603,652
Bonds	15,755,846	(incl. Funds on	
Stocks	865,993	Deposit)	
Real Estate		Claims Due and	
Mortgages	14,726,888	Unpaid	None
Loans on Policies...	11,025,099	Claims in Process of	
Real Estate	10,019,989	Settlement	140,705
Premiums Deferred		Accrued Liabilities..	696,577
in course of collec-		Dividends	
tion	1,317,760	Apportioned	223,035
Int. & Rents, Due and		Reserves and	
Accrued	645,918	Unassigned Funds	1,707,304
Miscellaneous	22,569		
Total Admitted		Total Liabilities ...	\$56,371,273
Assets	\$56,371,273		
Income	\$11,083,799		
Disbursements	8,529,808		
Excess Income	\$ 2,553,991		
Insurance in Force as of Dec. 31, 1936.....	\$206,778,741		

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Eighty-Six Years of Service to Policyholders

A typical experience record which illustrates how the "Golden Rule Contract" boosts an agent's earnings in a given territory.



Magnified OPPORTUNITIES

What future does your territory hold in store for you? This man never really knew until he saw his field through the "Golden Rule Contract." Living in a city of 75,000 population he earned, last year, future renewals on half a million of insurance produced by men he recommended to the company and a cash bonus of \$1040 on their efforts. Added to this substantial income he had commissions on his own personal production with vested renewals for 15 years.

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INSURANCE COMPANY
Columbus, Ohio

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derson made his first contact with the company as a member of the North Saskatchewan branch and in June, 1935, he was appointed district manager at Tisdale, Sask. Mr. Henderson has been a member of the production clubs for three years.

Roby Detroit General Agent

Home Life of New York Is Establishing a Second Agency in Detroit—Expanding Its Operations

The Home Life of New York has appointed Charles T. Roby as a general agent in Detroit, and is opening its second general agency in that city under



CHARLES T. ROBY

his direction. The company has been represented in Detroit since 1887, and its present general agency is now headed by A. D. Sutherland, who started with the Home Life as an agent and has advanced to his present position in the past 3½ years.

Mr. Roby began his insurance career as a representative of the John Hancock Mutual in Chicago, later transferring to Detroit, where with the exception of two years he has maintained a continuous connection with the McCauley agency of the John Hancock.

The Detroit area has shown a decided increase in new business activities which warranted the establishment of an additional agency there, in accordance with the company's multiple agency plan of development in metropolitan centers. Mr. Roby's appointment is the third new agency office to be established in Michigan the past year, and it is anticipated that further expansion will take place throughout that state.

Victor Pettric Resigns

Victor F. Pettric has resigned as Los Angeles general agent of the Ohio National Life and will devote his entire time to personal production.

Winnipeg Manager Retires

The Canada Life announces the retirement of C. E. Bissell, manager of the Winnipeg branch. He takes a three months' leave of absence. At a later date Mr. Bissell plans to resume his association with the company in some other capacity.

Mr. Bissell has been connected with the Canada Life since November, 1910, when he was an agent at Brockville, Ont. In 1920 he became district manager and eight years later was assistant branch manager for eastern Ontario. The following year he took over the managership of the branch at Calgary and in 1935 was appointed manager at Winnipeg.

Gros Is Memphis General Agent

The State Mutual Life has appointed Jeff Gros general agent at Memphis. The company has two general agencies in Tennessee, both long established. The other is at Knoxville. Mr. Gros has had 11 years' experience in life

insurance in Memphis, seven as agent and three as supervisor. At the time of his appointment he had been associate general agent of the Massachusetts Mutual for a year.

Born in New Orleans almost 33 years ago, Mr. Gros' family moved to Memphis when he was 6 years old. He received his schooling there, and attended Christian Brothers College, where he participated in sports, including football, tennis and basketball. He is now president of the Memphis Life Underwriters Association and vice-president of the Tennessee state association.

Newman Resigns at Philadelphia

Harry Newman has resigned as manager of the Union Central Life in Philadelphia and will devote his time to personal production. He went to the city two years ago to take the management in succession to the late A. Rush-ton Allen. The Philadelphia agency was second in the Union Central group last year, the first being the C. B. Knight agency of New York City. H. N. Hamilton, assistant superintendent of agents, is in temporary charge at Philadelphia.

American United at Omaha

P. G. Hinchey, assistant district manager John Hancock Mutual Life in Omaha the last two years, has been appointed general agent of the American United Life in Omaha. He will have offices at 1032 Redick Tower.

Cammack, Jr., Made Associate

C. W. Cammack, Jr., has been appointed associate general agent for the John Hancock Mutual Life at Huntington, W. Va. Mr. Cammack has been with this agency, of which his father is general agent, since 1926 and his appointment comes simultaneously with his father's 45th anniversary in the service of the John Hancock.

Opens Mining District Branch

To enlarge and supplement its service in the Kirkland Lake district, the Canada Life has opened a new branch office in the heart of the northern mining fields at Kirkland Lake, Ontario. H. W. Hare is made branch manager. Previous to taking this new post Mr. Hare was associated with the London branch.

Opens New Montreal Agency

The London Life has opened a second ordinary agency in Montreal, in the Confederation building, under the management of Irving Riddell, who has been district supervisor for the past five years. The ordinary agency in the Canada Cement building continues under

the direction of J. M. Brown. The company has four industrial agencies in Montreal.

Moved to Amarillo

S. D. Planz, who has been with the Dallas branch office of the Bankers Life of Iowa, has been transferred to Amarillo, Tex., as supervisor of the Panhandle territory. He has been in insurance several years, specializing in income and inheritance tax insurance coverage.

Heads Buffalo Agency

S. S. Colicchia has been appointed general agent for the Manhattan Life in the Buffalo district. He has opened offices in the Brisbane building.

T. S. Pointer Resigns

T. S. Pointer, general agent Home Life of New York in Denver for the past two years, is resigning. The home office states that the agency in the U. S. National Bank building in Denver will continue in operation.

Territory Is Divided

Fifty-seven Indiana counties have been added to the southern Ohio territory of the Reliance Life at Cincinnati, the Gary and South Bend territory being placed under the supervision of

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of

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F. L. ALEXANDER W. R. SMITH
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the Chicago office. S. C. Martin, formerly Indiana manager at Indianapolis, has resigned because of ill health. R. C. O'Connor is Cincinnati manager. Mr. O'Connor's agency had a 100 percent increase in paid for business in 1936.

Henriques Assistant Manager

H. D. Henriques has been appointed assistant manager in the eastern Pennsylvania department for the Reliance Life with headquarters in the Lincoln Liberty building at Philadelphia. C. A. Chambers is manager. Mr. Henriques was in general business life and then joined the California agency of the Reliance Life. He returned to Philadelphia six months ago.

Cowling with Pacific Mutual

J. F. Cowling has joined the W. R. Letcher state agency of the Pacific Mutual Life, Jacksonville, Fla., as agency organizer.

Mr. Cowling was formerly a general agent in Florida and has recently been general agent at Asheville, N. C., of the Minnesota Mutual Life.

Bell Made Illinois Manager

N. E. Bell, for four and one-half years Alabama manager of the State Farm companies, has been appointed Illinois manager with headquarters at the home office in Bloomington.

West Coast's New Houston Office

The West Coast Life has opened an agency in Houston, Tex., at 1011 Shell building, with L. J. Roempe, who has been field supervisor of the San Antonio agency, as manager.

Opens New Life Department

The Campbell & Koning agency recently opened a life insurance department, representing the Reliance Life, in St. Louis. John Eschenbrenner is manager of the new department.

Trunk Assistant at Fresno

H. F. Trunk, field assistant in the San Francisco office of the Travelers, has been appointed assistant manager at

Heads the Agency



C. F. ZAHNISER

C. F. Zahniser becomes head of the home office general agency of the Standard Life of Pittsburgh in its own building there. The agency was formally opened Monday. He has been associated with the head office for five years filling different positions.

Fresno. A. S. Holman is manager in San Francisco.

Life Agency Notes

T. B. Jones and N. W. Lamb have been appointed general agents in Columbus, O., for the Indianapolis Life.

Mark Hutterer has been appointed special agent at Los Angeles for the National Life of Vermont, serving agents and brokers, and will establish a brokerage department for the agency.

The American National of Galveston has appointed A. J. Sageley general agent at Dover, Tenn. He has been in insurance work there 12 years.

policy. Each time the agent when selling a policy makes a picture of the child and leaves it with the parent for a note on the back to be attached to the policy.

Columbus Mutual Michigan Rally

The Michigan State Club of the Columbus Mutual Life will hold its annual meeting April 10. All arrangements and program details are in charge of James A. Preston, sales manager at the home office.

Norfolk, Va., Meeting Held

Three home office officials of the Lincoln National Life spoke at the meeting of the Ben Simon agency in Norfolk, Va. A. L. Dern, vice-president and director of agencies, urged an increase in the average size of policies and outlined plans for expansion in 1937. W. T. Plogsterth, director of field service, discussed the promotion activities, direct mail plans, and sales programs for March. A. H. Hammond, superintendent of agencies, advocated continued use of the time organizer and outlined meth-

ods of following through on company plans. General Agent Ben Simon presided.

W. C. Schuppel Is Speaker

PORTLAND, ORE., March 4.—The nation's real source of social security is the \$23,000,000,000 of assets accumulated by the owners of \$100,000,000,000 of life insurance, declared W. C. Schuppel, executive vice-president Oregon Mutual Life, at the district sales conference of the Edgar W. Smith agency of that company. About 38 members of the agency were in attendance.

New Agency Has Meeting

The L. C. Furniss agency, which covers western Michigan for the Minnesota Mutual Life, held its first meeting in Grand Rapids. H. J. Cummings, vice-president and superintendent of agencies, and L. E. Douglass, general agent in Detroit, were guests.

The agency was formed Feb. 1, and celebrated at its first month's anniversary by appointing 16 men and writing of over \$120,000 of new business.

ACTUARIES

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ALEXANDER C. GOOD
Consulting Actuary
Central Missouri Trust Company Building
Jefferson City, Missouri

LIFE SALES MEETINGS

New York Life Agents to Meet in Club Conventions

Places and dates of the various Nylc annual conventions of the New York Life are announced. The Top Club members from coast to coast will meet at the Banff Hotel, Banff Springs, Canada, Sept. 14-18. The western division of the \$200,000 Club will meet at the Stanley Hotel, Estes Park, Colo., Sept. 9-11, and the central, great middle, northwest and mid-west departments of the \$100,000 Club at the Grand Hotel, Mackinac Island, Sept. 9-10.

J. L. Taylor Agency Rally

SPRINGFIELD, ILL., March 4.—The Springfield agency of the Mutual Life of New York held its annual meeting here with representatives from 46 central Illinois counties in attendance. John L. Taylor, Springfield manager, presided. Talks were made by Mr. Taylor, Edward F. Wagner, agency organizer; H. O. Plummer, service representative, and J. J. Norton, district manager at Bloomington, Ill.

At a luncheon Roy L. Davis, assistant insurance director, talked on "Increasing Personal Efficiency."

Speakers at the afternoon session were C. C. Robinson, editor "Insurance Salesman," who talked on "Prospecting," and Will Taylor of the Franklin Life. In the evening a dinner meeting was held with V. Y. Dallman, Springfield, editor of the "Illinois State Journal," as guest speaker.

Reliance Life Southwest Texas Agents Hold Meeting

T. J. McKenna, vice-president in charge of underwriting for the Reliance Life of Pittsburgh, and V. J. Adams, superintendent of agencies of the western division, who have been visiting branch managers in the middle west, Colorado and southwest, were guests at a San Antonio agency meeting for southwestern Texas branch representatives. L. A. Hanley, southwest Texas branch manager, presided.

Leather-bound records of production for the branch, containing photographs of the agents and a statement of production of each agent for Jan. 27 to Feb. 27, were presented to Mr. McKenna and Mr. Adams. Bert Perry of Corpus Christi, leader in sale of health and accident, stated that its appeal is to every professional man and that when properly presented will increase production in life insurance. Mr. Adams spoke on building prestige. He said: "Men fail in the life insurance business because of lack of building prestige." He then showed how in a town of very small population an agent had built prestige through the placing of his name before the people by use of small advertisements throughout the local newspaper, and how he went out and explained the policy in detail when delivering.

Mr. Adams told of another who specializes in juvenile policies for education, keeping in touch at all time with the parents, using a display of photographs made at the time of writing the

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Associates
Fred E. Swartz, C. P. A.
E. P. Higgins
THE BOURSE PHILADELPHIA

VIEWED FROM NEW YORK

By R. B. MITCHELL

W. J. PEDRICK ON RADIO

W. J. Pedrick, general agent in New York City of the Equitable Life of New York, who for 20 years has devoted his life to the guidance of the Fifth Avenue Association's work in maintaining quality and good taste on Fifth Avenue, spoke over station WQXR in the speakers' forum of the air last week. His subject was "Preserving Fifth Avenue as New York's Quality Street."

SOME FEBRUARY FIGURES

The Julian S. Myrick agency of the Mutual Life of New York in New York City reports paid-for business for February \$1,963,930 as compared with \$1,591,439 a year ago. For the year the total paid-for business amounted to \$4,943,889 as compared with \$4,300,057.

The Fraser Agency of the Connecticut Mutual Life in New York City paid for \$1,083,556 as compared with \$662,803 for February of last year. Paid for figures so far this year are \$2,593,665 as compared with \$1,448,112.

WHY SALESMEN GET FIRED

Hilman-Cuil, 56 Fifth avenue, New York, has put out a new book, "Why Salesmen Get Fired." The titles of the chapters indicate the scope of the book. They are, "Who Does the Firing?" "Copybook Virtues," "Men and Molly-coddles," "Misfits and Misery," "Woman Trouble," "Lady Luck" and "Old Man River." The book can be bought from THE NATIONAL UNDERWRITER for \$1.

DISABILITY DECISION AFFIRMED

The appellate term of the supreme court, first department, New York City, has affirmed the judgment in the case of Israel Goldstein vs. Equitable Life, N. Y., in which the city court held that an applicant for life insurance is not obligated to recall visits to his physician for minor complaints and his statement that he had not visited a physician was not misrepresentation such as would justify a denial of liability on part of claim made under the disability provision.

BOOKSTAVER AGENCY AHEAD

The Joseph D. Bookstaver agency of the Travelers in New York City, which

led all the company's general agencies countrywide for 1936, showed a gain in paid for business of 10.7 percent for February and 18.3 percent for the year to date. New business submitted during February showed an increase of 227 percent over last February. This enormous increase is attributed by manager Elias Klein to the increase in rates which became effective Mar. 1.

LECTURE SCHEDULE CHANGED

D. B. Maduro, attorney, who was to have addressed the Apr. 1 lecture on the technique of selling in the series sponsored by the New York City Life Underwriters Association, will speak Mar. 4. His appearance in this week's lecture will replace the symposium on specialty sales originally scheduled for Mar. 4.

MORTGAGE CONFERENCE

The Mortgage Conference of New York, of which three life companies are members and whose conferences are attended by representatives of a number of other life people, will hold its annual convention Mar. 8 at the Hotel Commodore, New York City.

P. A. Benson, president Dime Savings Bank of Brooklyn, and second vice-president American Bankers Association, will speak on recent changes in home loan financing, such as savings and loan organizations and the F. H. A., and their effects on institutional lenders. F. V. Goess, vice-president Manufacturers Trust of New York will discuss methods for improving construction standards. F. W. Eckert, Chicago partner of a prominent New York accounting firm, will talk on the results of a survey made by his firm of the Chicago century of progress exposition's effects on hotel trade there and the effects that may be expected in connection with the coming New York world's fair in 1939.

August Hefeld, Jr., executive vice-president Savings Banks Trust Co. of New York will discuss the proposal for state mortgage banks from an institutional point of view. C. G. Dailey, president, New York Real Estate board, will talk on the real estate man's point of view on questions affecting both owners and mortgagees. Paul Windels, New York City corporation counsel, will dis-

cuss what the new city charter means so far as city planning and zoning are concerned. The new charter sets up a new agency, the city planning commission.

Life company members of the mortgage conference are the Aetna Life, Home Life of New York, and Connecticut Mutual Life.

YOVITS OFFICE IN DRIVE

The Albert Yovits agency, leading office for the Security Mutual Life for the last six years, launched its thirteenth anniversary campaign with a breakfast

Feb. 27. Extensive advertising has been arranged as well as several direct mail campaigns. Attractive literature has been designed by A. G. Weil, manager service department, who is in full charge of all activities. At the end of the campaign, there will be a dinner at one of New York's leading hotels, which will be attended by President F. D. Russell.

WOFFORD AGENCY GAINS

The Harris L. Wofford agency of the Prudential in New York City paid for \$535,351 in February as against \$507,113 for February a year ago.

INDUSTRIAL FIELD NEWS

Answer Industrial Charges

Facts on Cost of Handling Policies Brought Out at Massachusetts Legislative Hearing

BOSTON, March 4.—Insurance counsel and actuaries of the Metropolitan, Prudential, John Hancock and New England Mutual Life, attended a hearing before the insurance committee of the Massachusetts legislature to oppose the perennial Katz bill asking for an investigation of life companies. C. G. Taylor, Jr., second vice-president of the Metropolitan, showed it would cost industrial policyholders twice as much to pay their weekly premiums by mail as the present expense of collections by agents and that lapses would be greatly increased. If all the company officers worked for nothing in the Metropolitan it would make a difference of only about one-fifth of 1 percent in the expenses of the company, said Mr. Taylor. Counsel Byron K. Elliot of the John Hancock said 98 percent of his company's industrial death claims are paid to named beneficiaries. Valentine Howell, associate actuary of the Prudential, and George Hoague, associate counsel of the New England Mutual Life, also opposed the bill.

Sponsors for two measures which would forbid industrial life companies to deduct agents' commissions in cases of lapses failed to appear before the committee.

John Hancock Changes Made in Several Points

R. J. Casey, formerly manager of the John Hancock Mutual in Chicago No. 6, has been transferred to Mt. Vernon succeeding J. F. Shiel, who will continue with the company in another capacity. Mr. Casey started as an agent at Waterbury, Conn., in December, 1923, and a year later was made an assistant. In August, 1928, he was transferred to New Haven and his outstanding record as an assistant there resulted in his appointment as manager of Chicago No. 6 in November, 1934. J. J. Hurley, manager at Davenport, takes charge of Chicago No. 6. He started as an agent in Chicago in February, 1927. Later he was made an assistant and was promoted to the managership at Davenport in January, 1932.

Became Chicago Agent in 1926

J. T. Keating, formerly assistant manager of Chicago No. 5, is appointed manager at Davenport. Mr. Keating started in Chicago No. 5 in September, 1926, as an agent and later was appointed assistant. Through the illness of Manager Morgan, Mr. Keating was made assistant district manager-in-charge in December, 1935. On Mr. Morgan's return to the office last December, Mr. Keating resumed his former position.

N. D. Costuma, formerly assistant Francisco No. 1, becomes manager at Long Beach, Cal., following the resignation of R. L. Bostwick. Mr. Costuma's entire service has been in San Francisco

No. 1, starting as an agent there in 1931, and later becoming an assistant.

Honor Coast Leaders

John H. Almy, superintendent of agencies of the Metropolitan Life, accompanied by Dr. W. P. Shepard, assistant secretary in charge of welfare introduced Louis H. Clarke to members of the Bellingham, Wash., agency, as their new manager.

The two officials from the Pacific Coast head offices in San Francisco spoke at a dinner in Seattle for Washington star salesmen and members of the \$100,000 Club.

Mr. Almy awarded a production trophy to the Aberdeen, Wash., district at a dinner in Olympia. Both officials attended a dinner in Portland, Ore. for Oregon star salesmen and \$100,000 Club members.

F. J. Williams, second vice-president, presided at a \$100,000 Club meeting in Los Angeles.

John T. Keating Honored

Members of the Chicago 5 agency of the John Hancock Mutual gave a dinner in honor of John T. Keating, who has been promoted to manager at Davenport, Ia.

Western & Southern Rally

The Western & Southern Life has chosen April 29-30 and May 1 for the time of the managers convention in Cincinnati.

George H. Furbish, formerly assistant superintendent of the Prudential in New Haven, is now in charge of the Pawtucket (R. I.) office as superintendent. He succeeds Thomas Mullen, retired.



In DENVER

an Eager Regard for Your Comfort

Here's a hotel where the western spirit of hospitality really prevails — where the food is always good — where the rooms are always comfortable — and where you'll always meet discriminating travelers.

Park your car in the Shirley-Savoy Garage

400 ROOMS from \$15.00 a day

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HOME OF STATION K-L-Z

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BROADWAY AT 17th

Outstanding

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70TH
Anniversary Year
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EQUITABLE LIFE
INSURANCE COMPANY
OF IOWA

COMPANIES

Cosmopolitan Old Line's Policyholders Ask Control

Petition has been filed in district court at Lincoln, Neb., by seven policyholders of Cosmopolitan Old Line Life of Lincoln asking that the insurance department be divested of control of that company and that the assets be turned back to policyholders. The petition sets forth that the cause for the order directing the department to take charge has been removed, if it ever existed.

Petitioners asked that the policyholders be convened with directions to elect a new board, excluding from membership those responsible for past mismanagement and those that have a personal interest in the management inconsistent with their interest as policyholders.

Objections to the size of the \$12,000 fee allowed Bernard Gradwohl, attorney for policyholders in Cosmopolitan Old Line, have been filed with the district court by Insurance Director Smrha. Mr. Smrha says that all that has been accomplished so far has been a judgment for \$193,000 against President Matthews, whose appeal may result in a denial of any liability on his part, and the procurement of an order transferring \$84,000 from one fund to another. Whatever good may have been accomplished by the attorney up to date, he says, should be offset against the fact that the suit resulted in closing the company. The director also objects to any allowance for fees for expert accountants who helped Gradwohl make his case. The court allowed a Lincoln firm \$3,000. The director objects to the order which requires these fees to be paid out of the cumulative thrift endowment fund; to the part of the order indicating that further attorney fees will be paid if the suit against Matthews is finally

won, and to the payment of costs by the company in the effort to secure final judgment.

The department also asked dismissal of the petition of intervention filed by other policyholders who want the court to order the director to restore the company to them. The director says this is, in its essentials, a separate lawsuit, and that the intervenors are not necessary parties to the pending controversy.

American United Statement

There is much interest in the annual statement of the American United Life of Indianapolis which is a combination of the American Central Life and the United Mutual. The assets are now \$45,764,061, of which \$23,498,796 are government and municipal bonds, \$2,775,205 railroad, \$3,265,585 public utility, \$5,119,889 real estate including its home office building, \$1,341,362 farm mortgages, \$1,935,175 city mortgages, \$6,460,813 policy loans, mortality and investment fluctuation reserve \$136,265, surplus \$45,764,061, insurance in force \$267,767,881.

Revives Its House Organ

The Protective Life of Birmingham has revived "Protective Life Lines" after three years' inactivity. It was published as a weekly bulletin. The new bulletin will be known as "Field Flashes." The editorial policy will be built around the theme of "Accomplishments." T. J. Hammer, director of agency service, is in charge.

Halt Redwood Mutual's Operation

As the result of a recent examination of the Redwood Mutual Life Association, offices of which were recently moved from Fresno to San Francisco, the California department found that its financial condition was such as to warrant the filing of application for appointment of a conservator. A temporary restraining order and order to show cause has been issued.

Shifts Are Announced in Michigan Department Staff

LANSING, MICH., March 4.—Announcement is made by Commissioner Gauss of a departmental shift under which L. H. Sanford, a member of the department's examining force for a number of years, becomes second deputy commissioner to succeed R. M. Morse, who returns to his former position as head of the licensing division.

Mr. Morse was made second deputy by former Commissioner Ketcham last fall following the resignation of J. E. Reault to go with the Maccabees, Detroit fraternal.

Commissioner Gauss is making some additions to the department's clerical staff, which has been somewhat inadequate because of a small department budget. He is making a drive for a larger appropriation from the legislature and has been assured support from agents, companies and other groups, including influential members of the insurance committees of both houses.

Advertising Awards to Travelers

For the second successive year the Travelers has been accorded honors in the annual advertising awards sponsored by the trade periodical, "Advertising & Selling." Three Travelers advertisements which appeared in national publications during 1936 were given honorable mention "for a series of advertisements most distinguished for excellence of layout, art and typography." The Travelers won first prize for a "Saturday Evening Post" advertisement captioned "Thoughts at Thirty-Nine," which was voted the most distinguished advertisement of any kind published during the year 1935.

F. M. Fretwell, 51, agent of the New York Life in Seattle, died suddenly while on a trip to Victoria, B. C.

LEGAL RESERVE-FRATERNALS

Lutheran Mutual Aid's Year

Some of the Chief Items in the Annual Statement Show Substantial Increases

The Lutheran Mutual Aid of Waverly, Ia., in its new statement shows assets \$6,973,202, of which \$3,317,481 or 47.6 percent are first mortgage loans; \$1,916,733 or 27.5 percent bonds; real estate and office building \$500,320 or 7.2 percent; policy loans \$632,405 or 9.1 percent. Its dividend reserve is \$140,000, contingency reserve \$465,631, net surplus \$393,369. Its total policyholders surplus is \$1,016,154. Its insurance in force is now \$49,117,387, a gain of almost \$5,000,000 over last year. Its assets increased \$972,000 and its surplus \$186,000.

It has declared a special dividend to policyholders equal to 100 percent of the regular dividend. The net rate of interest earned was 4.24 percent, mortality ratio 36.99 percent, ratio of assets to liabilities 117.06 percent.

Modern Woodmen Is Cleared

Report of Eight State Examination Finds Rock Island Society 100 Percent Solvent

With the filing on the part of the Illinois department of the examination report of the Modern Woodmen of Rock Island, Ill., in which the society was declared to be 100 percent solvent, the inquiry as to the solvency of the society has now been concluded, according to Insurance Director Palmer of Illinois. Eight states participated in the examination. The audit was made as a result of agitation started by assured in Missouri who sought to have Modern Woodmen placed in federal receivership. Total assets amount to \$63,177,166, policy reserves \$59,835,622 and unassigned funds \$1,470,374.

The report states that numerous real estate exchanges appear not made in accordance to Illinois laws, but the titles are not endangered. The mortality dur-

LUTHERAN MUTUAL AID SOCIETY, Waverly, Iowa

Legal Reserve Life Insurance STATEMENT OF FINANCIAL CONDITION as of December 31, 1936

(From the Annual Report Submitted to the Iowa Insurance Department)

ASSETS		LIABILITIES	
%			
47.6	First Mortgage Loans \$3,317,481.44	Net Tabular Mean Reserve	\$5,615,218.23
	On farm property \$1,522,201.85, and on city property, \$1,795,279.59, the total being appraised at \$11,270,547.64.	This reserve with interest and future payments is sufficient to mature all outstanding certificates according to the American Experience Table of Mortality.	
27.5	Bonds \$1,916,733.44	Advance Premium and Interest Payments	\$75,756.44
0.0	Stocks NONE	Many members pay their premiums and interest in advance to avoid the possibility of overlooking them at the due date.	
7.2	Real Estate and Office Bldg. \$500,320.39	Reserve for Claims	\$143,111.91
	Home Office Bldg., \$73,800.00. Other Real Estate, \$334,006.63. Real Estate sold under contract, \$92,513.76.	This amount is set aside to provide payment of death and disability claims due in installments. Also to assure payment of claims for which complete proofs have not been received.	
9.1	Certificate Loans \$632,404.61	Refund Accumulations	\$104,694.75
	In an amount not to exceed the reserve to the credit of the certificate.	Dividends left with the Society by members, for future use.	
1.5	Interest Due and Accrued \$109,099.22	Refunds Due and Unpaid	\$9,243.40
	On mortgages, bonds, certificate loans, etc.	Dividends unpaid because members have not designated choice of option.	
3.2	Cash in Banks \$221,376.90	Miscellaneous	\$9,023.11
3.9	Premiums Due and Deferred \$275,786.09	Expenses due and accrued	\$6,525.07
	Payments past due partly in hands of local secretaries \$110,597.31. Unpaid part of 1936 annual payments made on monthly, quarterly, semi-annual basis \$165,188.78.	Unassigned Investment Funds	2,498.04
100.0	Total Admitted Assets \$6,973,202.09	Total Liabilities	\$5,957,047.84
		Total admitted assets are 17.06% more than required by law to cover above obligations.	
		Expense Fund	
		Reserve	\$17,154.15
		Reserve for 1937	
		Dividends	140,000.00
		Reserve for Contingencies	465,630.88
		Unassigned Surplus	393,369.22
		Surplus to Protect Members	\$1,016,154.25
		To Balance Assets	\$6,973,202.09

NOTE: All securities owned by the Society are deposited and in the safe keeping of the Commissioner of Insurance, Des Moines, Iowa, or the Receiver General of Canada, Ottawa, Canada.

Net rate of interest earned 4.24%. Actual to expected mortality 36.99%. Ratio of assets to liabilities 117.06%.

PROGRESS

December 31st	Insurance in Force	Admitted Assets	Surplus (Assigned and Unassigned)	Benefits Paid	Refunds (Dividends) Returned to Members
1928	\$18,466,955	\$1,730,173	\$280,184	\$3,112,283	\$139,565
1930	30,093,652	2,863,994	341,957	3,365,928	279,807
1931	33,123,877	3,628,873	516,042	3,492,146	373,663
1932	33,305,658	4,193,483	549,339	3,619,560	471,759
1933	33,571,232	4,727,361	651,717	3,762,314	569,648
1934	37,892,867	5,339,327	821,540	3,904,252	688,031
1935	44,328,674	6,001,370	830,547	4,104,652	789,892
1936	49,117,387	6,973,202	1,016,154	4,318,125	930,441

WOODMEN OF THE WORLD

Six Modern Legal Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Seventy
- Twenty Year Endowment
- Family Income
- Juvenile

These contracts are participating, and provide all standard non-forfeiture options.



Operating for forty-six years in California, Oregon, Washington, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming.

Write for particulars and open territory to

PETER F. GILROY, President
1447 TREMONT PLACE
DENVER, COLORADO

ing the past five years is about 27 percent in excess of that provided by the mortality table by which most of the reserves are measured. Immediate steps must be taken to halt the depletion of the expense fund, according to the report.

A reduction in some salaries, elimination of some jobs, consolidation of the national offices at Rock Island and changes in the accounting procedure are recommended.

Classification of Assets

About 75 percent of Modern Woodmen's assets consist of government, state and high grade municipals while the rest are in mortgages and premium loans.

The examination was started in September with Illinois, Kansas, Minnesota, Pennsylvania, South Dakota, Virginia, Washington and Wisconsin participating.

Modern Woodmen has about \$700,-

000,000 of insurance in force and a membership of 500,000.

O'MALLEY NOT CONVINCED

JEFFERSON CITY, MO., March 4.

—Superintendent O'Malley has declined to accept the report of the examination of Modern Woodmen as conclusive so far as the Missouri department is concerned.

"I revoked the license of the Modern Woodmen on grounds both of moral and financial insolvency, the former having been admitted by its officers," Mr. O'Malley asserted.

"Technically speaking, it is almost impossible, under our laws and the laws of other states, no matter what its condition, to declare a fraternal insolvent because, remarkable to relate, bad influences in fraternal insurance have been able, since the inception of such societies, to prevent the passage of proper regulatory laws.

"They have the right to assess their

members at will and at the same time reduce their benefits. If a member refuses to stand the premium increase and the benefit reduction, he stands suspended, and that much liability is disposed of."

Million and Half Refunds to W. O. W. Policyholders

Nearly 300,000 checks totaling \$1,500,000 were mailed Feb. 25 to members of the Woodmen of the World. They represented refunds of premium assessments to members in good standing Dec. 31, 1936, who have held beneficiary certificates, for more than two years.

"In two years the Woodmen of the World has returned \$3,000,000 to its members through these refunds," De E. Bradshaw, president, said. "The refund of 1936 assessments comes as a result of exceptional gains in membership and in financial strength."

More than 90,000 new members, with insurance protection of more than \$108,000,000, were enrolled during the past year. The net increase in membership was more than twice that of the preceding year. The association increased its assets in 1936 to almost \$125,000,000. The refund comes in addition to the payment of \$9,753,600 in benefits and \$4,062,156 in loans made on certificates during 1936.

Heads St. Louis Chapter

M. F. Napier, Aid Association for Lutherans, has been elected president of the St. Louis chapter of the Missouri Fraternal Congress. Other officers are: Vice-president, Mrs. Edna Glenn, Woodmen of the World, and secretary-treasurer, Mrs. Reba Saunders, Royal League. A fraternal educational drive will be held.

Old Fraternalist Dies

E. N. Samdahl, 78, long active in the Beavers, its first secretary and for several years on the board of the National Mutual Benefit, which absorbed the Beavers, died at his home in Madison, Wis., after an illness of several months. He was born in Norway but had lived in Wisconsin since he was 20 years of age.

Fraternal Notes

The Croatian Catholic Union, of Gary, Ind., has applied for license in California. The Equitable Reserve Association of Neenah, Wis., is withdrawing from California.

CHICAGO

PRUDENTIAL AGENCY CONTEST

The La Salle ordinary agency of the Prudential, A. Van Goldman, manager, is conducting a unique five weeks' contest, based on Dun & Bradstreet ratings. "Assets" of the Prudential are distributed among the 27 producers in the form of stage money, the objective being to increase this "capital" through paid-for sales until the producer has at least "\$100,000" or a "class A" rating. Outside brokers are also eligible to participate.

Extra credit is given for business that is paid for in advance, and for group or wholesale business. The contest ends April 3, with all cases to be examined by April 8. On April 12 an auction will be held for men's accessories, cocktail sets and small radios, the producers using their stage money for bidding.

CAMPAIGN FOR TWO OFFICIALS

A three months drive ending April 30 is being conducted by the central department of the New York Life in Chicago as a testimonial to Chairman T. A. Buckner and President Alfred L. Aiken. It will be wound up at a luncheon to be held at Chicago early in May when the two officials will attend and give addresses. Other departments in the central section of the country are

conducting similar campaigns and the two ranking officials will attend other meetings at various points, concluding the drives. A sales congress of the central department was held in Chicago this week, attended by five home office officials. These were Vice-presidents L. S. Lindsay, C. H. Langmuir, G. S. Van Schaick and W. P. Kingsley, and C. J. O'Connell of the educational department, agency service bureau. They gave talks, as did R. E. Whitney, inspector of agencies central department, who was toastmaster; O. R. Carter, inspector of agencies mid-west department, Chicago; D. H. Bailey, agency director Field building branch; J. E. Lysen, Top Club member and a C. L. U. who is the leading agent in the Frederick Bruchholz agency, and William Staeker, leading agent in the central branch, all of Chicago.

RELiance LIFE MEN IN SESSION

The Illinois department of the Reliance Life in Chicago held its semi-annual sales meeting, Manager W. C. Peck presiding. In the morning session there were sales demonstrations on "Selling the Young Man," by J. E. Olson; "Adjustment Income," by George Bull; "Minimum Monthly Income," J. E. Rawles; "Retirement Income," C. F. Kinnucan. "Perfect Protection" was discussed by R. E. Keeley, leading accident and health producer in the department, and "Prospect Inventory" by H. W. Baird, assistant manager, who pointed out the necessity for having an inventory of qualified prospects at the beginning of each month. Following luncheon prizes were awarded for outstanding accomplishment in February. Announcement was made that for the tenth consecutive month the department had shown an increase in both written and paid business, the increase for the first two months being 35 percent. J. F. Johns, superintendent of agencies, eastern division, discussed life insurance as a career for young men. H. P. Burnett, vice-president in charge of agencies, gave a talk, telling of the company's progress and announcing that in the first week of January assets passed the hundred million mark. Voluntary quotas for March totaling over \$500,000 for the department were taken.

INCREASE IN ROTHARMEL DRIVE

The 10 agencies of the Equitable of New York in Chicago have just concluded a month's drive honoring M. W. Rotharmel, superintendent of agents central department, Chicago, who with his wife is taking a long sea voyage for his health. At a luncheon meeting this week it was reported a substantial increase was made during the campaign and results were radioed to Mr. Rotharmel aboard ship. A one week advanced field school will be started in Chicago March 22.

The February drive volume was \$11,827,048, for the Chicago agencies alone, an all-time February record. Other agencies in the central department independently campaigned for Mr. Rotharmel. A. M. Spalding, assistant to the agency vice-president, attended the luncheon, speaking for the home office. Chicago paid business in three months totaled \$4,517,054, leading agencies being Lustgarten \$1,066,123, Woody \$1,064,734, Gottschall \$582,516, Hobbs \$418,516 and Sachs \$418,583.

REPORTS 350 PERCENT GAIN

E. B. Dudley, manager of the Travelers Chicago offices, reported a 350 percent gain in January and February business over the same period in 1936, for life, accident and group. This includes business of the month side, south side and Oak Park branches.

William Dunkak has joined the office as a field assistant, after attending the company school at Hartford. He was formerly superintendent of agencies of the Cosmopolitan Old Line Life of Nebraska.

Jack Hoover, superintendent of agencies, has returned to Hartford after conferring with Mr. Dudley.

The A. O. U. W. of North Dakota

Writes
All Forms of Modern Life Insurance Contracts

ORDINARY LIFE
LIMITED PAY
ENDOWMENTS
FAMILY INCOME
JUNIOR INSURANCE
DOUBLE INDEMNITY

Non-cancellable Sickness and Accident Insurance.
Operating on a Legal Reserve Basis

Home Office - Fargo, North Dakota

BRADLEY C. MARKS
Grand Master Workman

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Grand Recorder

Forty Years of Praiseworthy Service

1897

1937

Genuine Service and Our Modern Policies
Go Hand in Hand

January, 1937, We Issued Three New Junior Policies:—Ordinary Life, Endowment at Age 65 and Educational Endowment at Age 18.

We Have A Complete Line of Adult Policies—American Experience Table of Mortality—3% Interest Basis.

Maybe You Will Fit Into Our Organization As A Field Representative.

Write to

Equitable Reserve Association

NORTON J. WILLIAMS, Vice President

Neenah, Wisconsin

SALES IDEAS AND SUGGESTIONS

Agents' Contact Analysis Is Found Very Beneficial

By BERTRAND R. CANFIELD

Director Sales Division Babson Institute, Babson Park, Mass.

A study of sales contacts made by new agents of the Wallace Watson agency Connecticut Mutual Life, Boston, by the Babson Institute of Business Administration, reveals wide fluctuations in sales activity. All contacts made with new prospects, old prospects and policyholders by eight typical agents over a period of 125 weeks were recorded and analyzed by myself and my associates, and valuable deductions made concerning activities of new agents. [The results in chart form are shown below.]

Total contacts made by the agents studied averaged only 3.1 a day per agent, while the most successful producer in the group averaged 5.9 contacts a day, showing that volume of applications is consistent with calls.

Fluctuations in Effort Occur Throughout Week

New agents begin the week with good intentions, making more contacts on Monday and Tuesday than any other day of the week, when an average of four daily calls are completed. However, by Wednesday the enthusiasm of Monday and Tuesday begins to ebb and contacts drop to 3.4 per man. Realizing the week is fast passing, the agents turn on a little more effort and on Thursday raise their call average to 3.7, but this enthusiasm is short lived and by Friday contacts fall to 3.1. Saturday is practically a total loss as far as contacts are concerned, as agents average only 0.8 of an interview on that day.

Sales effort exerted by individual agents varies widely. The highest producer in the group, true to the average of all agents, made more contacts on Monday and Tuesday than any other days of the week, averaging seven on the first day of the week and 7.9 on the

second. However, by Wednesday calls had declined to 6.7 with a further drop to 6.3 contacts Thursday, 5.3 contacts Friday, and to a week time low of 2.3 calls on Saturday.

Another agent, whose production was half of the leading producer, averaged only one contact a day except Friday and Saturday when a half-call was his average work output. The business secured and sales contacts made by this agent is further evidence that the well known relationship of contacts made to applications secured still prevails as proven in this case.

The unequal sales effort exerted by new agents on various days of the week may be attributed to no other reason than lack of consistent application. The natural tendency to begin every effort at high pressure and later relax effort is strikingly illustrated by this study, and the importance of reviving sales activity for the latter part of the week is evident.

The Week to Week Total Contacts Number

Although the number of sales contacts declines from a peak on Monday and Tuesday to Saturday of each week, the number of average weekly contacts steadily gains from a low on the first week to a peak the fourth week of the month. Sales effort increases as the month progresses until by the 20th day agents are going strong. The fluctuation in number of sales contacts made by agents from week to week is not great but enough to discern a definite rising trend throughout the month.

The highest producer, in the group of agents studied began the month with an average of 30.6 sales contacts the first week, increased to 32 contacts the second week, 32.7 contacts the third week, and a peak of 34.7 contacts the fourth week.

Weakest Agent Varies From 26 Calls to Zero

The poorest producer showed the widest fluctuation in contacts from week to week, ranging from a minimum average of 19 the first week to 26 the second week, 16 the third week, to zero the fourth week.

All agents observed showed a rising trend of contacts averaging 18.2 sales contacts the first week and increasing to 26.1 total contacts the fourth week of the month.

The fluctuation in sales effort from month to month is most marked; reaching a peak in September and a low in June. The number of contacts made in September are 44 percent greater than those in June, while January, May and July are rising peaks in the chart of sales effort. Next to June, March, August, November and December are the low pressure months [months are indicated by initials in the chart.]

Vacations and Weather Have Effect on Results

The average total contacts of the eight agents studied were 91 in January, 72 in February, 61 in March, 68.5 in April, 81 in May, 58 in June, 93 in July, 73 in August, 103 in September, 84 in October, 61.5 in November, and 66 in December. This fluctuation follows rather closely the general seasonal trend in business, which makes its peaks in the

late spring and fall months. The decided slump in total contacts during August is probably due to the summer vacation period while the falling off in November and December may be accounted for by the unfavorable weather conditions making outside contacts unpleasant.

Wide variations in total contacts from month to month are observed in the work of the best producer as well as the least successful agent. The top man in the group made 69 contacts in March and 174 contacts in July, while the poorest agent made a total of 36 contacts in June and 82 in July. However, the sales leader showed much less fluctuation in number of contacts made than his less successful associate.

Note Sales Contacts Resulting in Progress

While the volume of total sales contacts an agent makes is significant, his total contacts resulting in progress are more so. Tuesday was the outstanding day of the week for successful contacts according to this study of eight agents over a period of 125 weeks. The agents averaged 3.9 contacts resulting in progress on Tuesday, while the worthwhile contacts made during the balance of the week were Monday 2.2 contacts; Wednesday, 2.6 contacts; Thursday, 2.2 contacts; Friday, 2.9 contacts; and Saturday .7 contacts. With the most successful contacts made on Tuesdays and Fridays, the least productive on Mondays and Thursdays.

The best producer averaged a total of five progress contacts daily and the low man had an average of slightly more than three worthwhile contacts a week.

An average of 76 percent of all sales contacts made during a week result in progress, according to the study made by Babson Institute.

Success From Week to Week Compared

During the first week of the month fewer effective sales contacts are made, an average of only 13.1, according to the study, but more progress is shown in the second week with an average of 24.6 contacts. Contacts resulting in progress decline during the third week to 20.6 and the fourth week of the month to 18 effective contacts.

Just as the number of total sales contacts made is lowest the first week of the month, the volume of effective contacts is also at a minimum during the same period.

The number of effective contacts rises steadily from the first of the year to a peak in September, when an average of 77 good contacts per agent is reached. The lowest number of resultful contacts is in February, with an average of 34.2 per agent. This figure mounts to 37 in March, 40 in April, 47.6 in May, 49.6 in June, 57.2 in July, 70 in August, 77 in September, and declines to 63 in October, 38.5 in November, and 46 contacts in December.

The most successful agent averaged 115 successful contacts a month, while the poorest producer accounted for an average of only 44 contacts a month.

As the greatest number of sales contacts are made on Mondays and Tuesdays, it is natural that the greatest number of worthless contacts should occur on these first two days of the week when each of the eight agents in the group averaged 1.3 valueless calls. The balance of the week is quite consistent with an average of one ineffective call per man on Thursday and Friday.

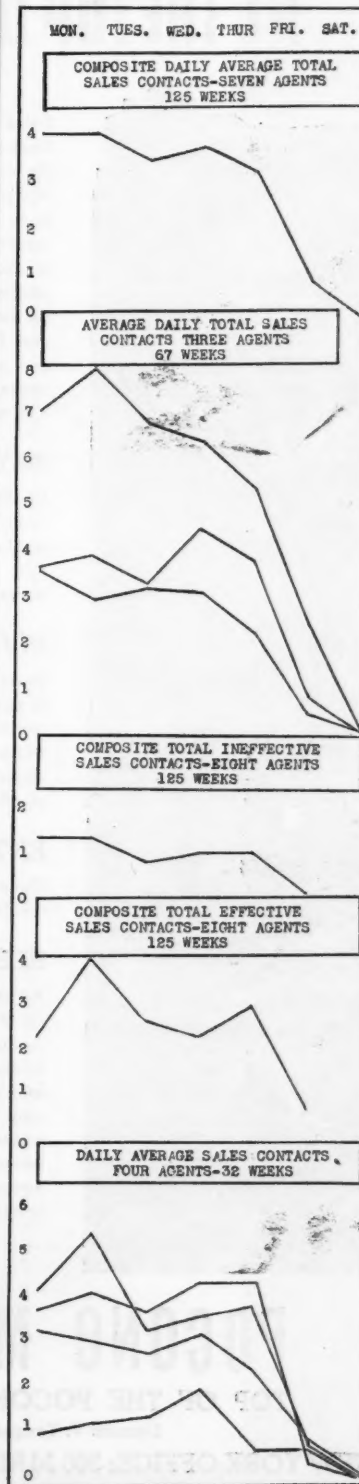
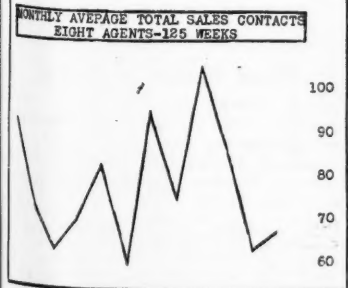
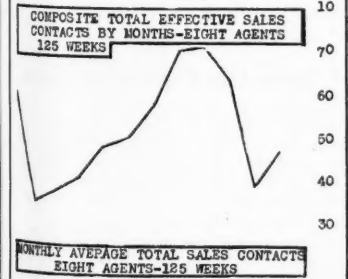
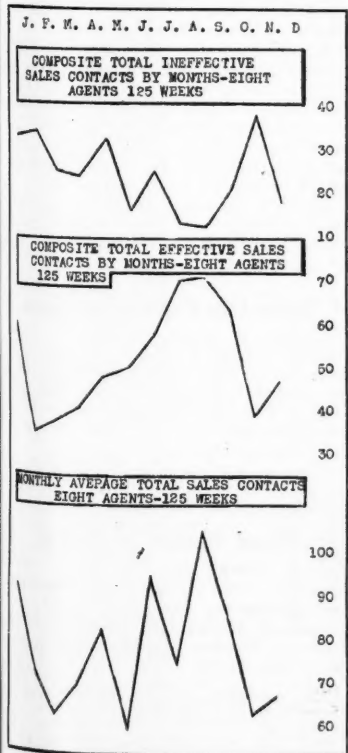
The agent averaging the greatest number of ineffective contacts (2.1 a day) ranked next to the lowest man in the group in volume of production.

The third week of the month produced the largest number of worthless contacts for the group, when all aver-

aged 7.7 poor interviews during the week.

November was the poorest month of the year for the group for the average number of ineffective interviews reached 38 per cent. This was followed closely by February with an average of 32 worthless contacts. September offered fewer disappointments with an average of only 12 valueless interviews per man for the month.

This study of sales contacts was made by giving each of the eight agents in the agency a record book in which to keep an accurate daily accounting of the number of contacts made, the sales contacts resulting in progress and those which proved worthless. After 125 weekly records had been completed by the eight agents, a summary was made of the work of each agent by days of



Let's meet AT THE TOP OF THE POCONOS

Sales meetings, executive conferences, conventions get off to a quick start at Pocono Manor. No distractions while business is on the slate but plenty of healthy diversion after. Isolated from crowds and noise in its own 3,000-acre estate, Pocono Manor is the first choice today of many leading life, fire and casualty companies. Its modern rooms and delicious meals, its central location—100 miles from New York and Philadelphia, on main line from Chicago and points West—combine to make it the ideal gathering place. And now consider these special advantages:

RATES & ACCOMMODATIONS:

Double and single rooms from \$5.00 per person, including meals. Elevators, room phones, instantaneous steam heat. Ample facilities up to 450. Meeting hall with stage, private banquet rooms, ballroom.

DIVERSIONS:

Tournament 18-hole golf course—private lake—20 miles of riding trails—three regulation tennis courts—putting greens and archery range. In winter there's skiing, ice-skating, tobogganing, dog-sled racing. Picnics, barbecues and hikes at all seasons.

ENTERTAINMENT:

Motion pictures, card rooms, dancing, table tennis, lectures and concerts. 4,000-volume library.

RESERVATIONS:

Arrangements for groups should be made as far in advance as possible in order that suitable accommodations may be reserved. Special group rates, including rooms and meals, golf and riding may be arranged for. The Manor's staff is thoroughly experienced in handling convention details and will cooperate to the fullest extent to make your meeting a complete success. Post office and Western Union telegraph on the premises.

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POCONO MANOR INN

TOP OF THE POCONOS—PENNSYLVANIA

Herman V. Yeager, General Manager

NEW YORK OFFICE: 300 MADISON AVENUE. VAN. 3-7200

the week, weeks of the month, and months of the year. Then the averages were established for each agent and combined to arrive at an average figure for the group by the daily, weekly, and monthly periods.

Valuable Material for Managers Individual Study

The value of this study lies in its application by agents, general agents, and managers for a similar study of their own and their agents' time employment to the end that wide fluctuations in sales effort may be leveled out and steady sales pressure exerted to secure a more efficient expenditure of sales effort. The periodic declines in sales pressure, revealed by the study, are probably typical of those of the average life underwriter and indicate the need for exerting greater sales effort on certain days of the week, weeks of the month, and months of the year. The average number of contacts made by the leading producers in the group suggests a desirable daily, weekly, and monthly sales contact objective for an agent.

A further study of the number of interviews, whether first, second, or third, of service and delivery contacts, number of new prospects secured, and hours spent in the field by this typical agency group, is being completed and will be released at an early date.

COAST

Walter Eader Will Connect with Managerial Company

Walter G. Eader, who resigns after 10½ years with the Pacific Mutual Life, first as sales manager and later as acting manager at San Francisco, expects to make a new connection in a short time. The Pacific Mutual is changing from a branch office to general agency system at San Francisco and Mr. Eader did not consider himself in a position to operate under a general agency contract. He has been in life insurance for the last 22 years. He was district agent for the Northwestern Mutual in Oakland, Cal., and then he became San Francisco manager of the Equitable Life of Iowa until October, 1926, when he joined the Pacific Mutual Life as sales manager. Since then in northern California the company has put more than \$50,000,000 of business on the books.

Addison Home Life Cashier

J. O. Jensen, general agent Home Life of New York in San Francisco, announces the appointment of L. L. Addison as agency cashier. Mr. Addison began his life insurance career eight years ago in Sacramento with the Penn Mutual Life, doing cashier's work. He served as cashier for seven years, then went to San Francisco as agent and brokerage contact man for Cosgrove & Co. Mr. Jensen took over the Home Life general agency in July, 1936, going from Philadelphia.

Dykeman Succeeds "Jack" Piver

J. K. Dykeman, Jr., former Seattle life insurance man, has been appointed resident secretary at Seattle of the "Underwriters Report" of San Francisco. He fills the post left vacant by the resignation of John C. Piver, Jr., now publisher of "Pacific Insurance," new San Francisco weekly. Mr. Dykeman has been on the advertising staff of the Seattle "Post-Intelligencer." His father, Judge J. K. Dykeman, at one time was publisher of the "Post-Intelligencer." The "Underwriters Report" has moved its Seattle office to the Colman building.

Boileau on Coast Trip

Wallis Boileau, Jr., second vice-president of the Penn Mutual Life, was in San Francisco conferring with F. J. Curry, L. J. Duncan and G. A. Scot-

Goal of \$250,000 Is Set by Company's Leading Agent

George J. Gold, leading personal producer of the Connecticut Mutual Life in 1936, will observe his fifth anniversary with the C. J. Zimmerman agency in Newark by staging a personal campaign in his own honor with a \$250,000 goal.

Mr. Gold attributes his success to the "center of influence" method which he alleges is one of the most successful systems that an agent can put into practice. He started his career from scratch by cold canvassing the offices of two of the largest business buildings in his city. In this way he established a center of influence which has built prestige for him among a large acquaintance which is gradually spreading to a broader territory.

A four-page monthly, "Life Times," is sent by Mr. Gold to his clients and prospects. It contains articles on how to conserve money, news and views, and discussions of life insurance as an investment.

land, general agents in San Francisco, Oakland and Sacramento, respectively.

He later visited General Agent F. M. McMillan of Los Angeles, with whom he conferred regarding plans for an increase in new business during 1937.

Mr. Boileau also visited the San Diego agency and then returned to Los Angeles and addressed the McMillan agency. He was the guest of the agency at a dinner. This was held as the outcome of the second anniversary drive, which resulted in a very substantial increase over February's record for last year.

Los Angeles Managers Meet

At the meeting of the Life Insurance Managers Association of Los Angeles legislative matters and Life Insurance Week plans were discussed. Phineas Prouty, Jr., president of the Life Underwriters' Association of Los Angeles, outlined the general program for the drive.

Nollen on Farm Tenancy

DES MOINES, March 4.—Insurance company or other institutional landlords have a definite reason for encouraging tenants to become farm owners, Gerald S. Nollen, president Bankers Life of Iowa, told the National Institute on Farm Tenancy.

The insurance company landlord, however, has a dual responsibility in its land holdings, Mr. Nollen added, to the operators of farms and to its policyholders. Too extensive use of credit, he said, sometimes works a disservice in encouraging a tenant to accept responsibility which he cannot meet successfully.

He said constant pressure for preferential treatment of the farmer through cheap federal credit was in some cases to be decried.

Texas Life Convention Elects

DALLAS, March 4.—Earl B. Smith, Fidelity Union Life, was elected president of the Texas Life Convention at its annual meeting. D. E. Waggoner, United Fidelity Life, was named vice president, and E. G. Brown, Southwestern Life, secretary.

The convention adopted a resolution of regret on the death of J. B. Reynolds, president of the Kansas City Life.

Wood Speaks in Detroit

J. H. Wood, manager of the general agencies John Hancock Mutual Life, will address the Associated Life General Agents & Managers of Detroit on "The Core of Agency Management—Motivation," March 12.

The American Service Bureau and the Hooper-Holmes Bureau have moved their offices in Columbus from the A. L. Citadel to the Hartman Theater building.